

BRIGGSDALE FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS

Year Ended December 31, 2020



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Independent Auditors' Report

Board of Directors
Briggsdale Fire Protection District
Briggsdale, Colorado

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Briggsdale Fire Protection District as of December 31, 2020, and for the year then ended, as listed in the table of contents and the related notes to the financial statements.

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; 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the major fund and the aggregate remaining fund information of the Briggsdale Fire Protection District as of December 31, 2020, and the changes in its financial position and the budgetary comparison for the year then ended in conformity with accounting principles generally accepted in the United States.

Other Matter

Accounting principles generally accepted in the United States require that management discussion and analysis and supplementary pension plan information 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, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 evidence sufficient to express an opinion or provide any assurance.

Anderson & Whitney, P.C.

September 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the Briggsdale Fire Protection District (BFPD) for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- * BFPD's assets exceeded liabilities by \$4.5 million at December 31, 2020.
- * The General Fund balance was \$2.2 million as of December 31, 2020. Of this amount, \$21,954 is reserved for emergencies.
- * The December 31, 2020 General Fund balance is \$286,031 more than the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements contain three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business.

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

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

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. BFPD, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. BFPD has one governmental fund, a General Fund.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide adjustments to facilitate this comparison between *governmental funds* and *governmental activities*, which are also explained in the notes.

The basic governmental fund financial statements can be found on pages 7 and 8 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12 through 20 of this report.

Budgetary Comparisons. BFPD adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund on page 9 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2020, assets exceeded liabilities by \$4,497,350.

The following table provides a summary of the District's net position:

December 31	2020	2020
Assets:		
Current and other assets	\$ 2,957,116	\$ 2,631,784
Capital assets	2,157,136	2,215,436
Net pension asset	91,920	87,107
Total Assets	5,206,172	4,934,327
Liabilities:		
Current liabilities	(2,750)	(1,556)
Total Liabilities	(2,750)	(1,556)
Deferred Inflows of Resources:		
Deferred Property Taxes	711,571	671,076
Total Deferred Inflows	711,751	671,076
Net Position:		
Net Investment in capital assets	2,157,136	2,215,436
Restricted	21,954	24,460
Unrestricted	2,318,260	2,024,911
Total Net Position	\$ 4,497,350	\$ 4,264,807

A significant portion of BFPD's net position represents unrestricted net position of \$2,318,260 which may be used to meet the District's ongoing obligations to patrons.

Another significant portion of the District's net position reflects its investment in capital assets. These assets include land, building, equipment, and vehicles. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$21,954 of the District's net position represents resources that are subject to external restriction on how they may be used. Included in this category are the TABOR emergency reserves of \$21,954.

The following table indicates the changes in net position:

Years Ended December 31	2020	2019
Revenues:		
General revenues:		
Property and S.O. taxes	\$ 703,548	\$ 764,208
Investment earnings	19,181	30,226
Rental income	7,000	5,500
Other revenue	2,075	15,393
Total Revenues	731,804	815,327
Expenses:		
Administrative	55,335	50,028
Program services	306,494	212,729
Depreciation	137,432	117,579
Total Expenses	499,261	380,336
Increase in Net Position	\$ 232,543	\$ 434,991

Governmental Activities. Governmental activities increased BFPD's net position by \$232,543 in 2020. Key elements of this increase are as follows:

- * Total revenues were \$731,804, down 10% from the prior year. This is primarily due to a decrease in property taxes.
- * Expenses totaled \$499,261. This represents a 31% increase over the previous year, primarily due to increased depreciation and administrative expenses.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes:

Year Ended December 31, 2020	Final Budget	Actual
Beginning Fund Balance	\$ 1,962,264	\$ 1,962,264
Revenue	760,578	731,804
Expenditures	723,455	445,773
Ending Fund Balance	\$ 1,999,387	\$ 2,248,295

CAPITAL ASSET ADMINISTRATION

Capital Assets. BFPD's investment in capital assets for its governmental type activities as of December 31, 2020, totals \$2,157,136 (net of accumulated depreciation). This investment includes all land, buildings, equipment, and vehicles. The primary capital activity of 2020 was the purchase of new equipment.

The District implemented the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated. Additional information on the District's capital assets can be found in Note 3 of this report.

OTHER MATTERS

The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2021 budget:

- The assessed valuation of property in the District increased for 2021, resulting in a property taxes expected of \$711,571.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of BFPD's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, Box 1, Briggsdale, Colorado 80611.

BRIGGSDALE FIRE PROTECTION DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION

December 31, 2020	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 2,218,796	\$ -	\$ 2,218,796
Property Taxes Receivable	711,571	-	711,571
Prepaid items	26,748	-	26,748
Capital Assets:			
Land and improvements	-	20,357	20,357
Buildings and improvements	-	1,238,156	1,238,156
Equipment and vehicles	-	1,582,120	1,582,120
Accumulated depreciation	-	(683,497)	(683,497)
Net Pension Asset	-	91,920	91,920
TOTAL ASSETS	\$ 2,957,116	2,249,056	5,206,172
LIABILITIES			
Accounts Payable	\$ (2,750)	\$ -	\$ (2,750)
TOTAL LIABILITIES	(2,750)	-	(2,750)
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	711,571	-	711,571
Total Deferred Inflows	711,571	-	711,571
TOTAL LIABILITIES & DEFERRED INFLOWS	708,821	-	708,821
FUND BALANCE/NET POSITION			
Fund Balances:			
Reserved for TABOR emergencies	21,954	(21,954)	-
Unassigned	2,226,341	(2,226,341)	-
Total Fund Balance	2,248,295	(2,248,295)	-
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 2,957,116		
Net Position:			
Net investment in capital assets		2,157,136	2,157,136
Restricted for emergencies		21,954	21,954
Unrestricted		2,318,261	2,318,261
		\$ 4,497,350	\$ 4,497,350

See Accompanying Notes to Financial Statements.

BRIGGSDALE FIRE PROTECTION DISTRICT

STATEMENT OF GENERAL FUND REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES

Year Ended December 31, 2020	General Fund	Adjustments	Statement of Activities
Revenue:			
General property taxes	\$ 670,048	\$ -	\$ 670,048
Specific ownership taxes	33,500	-	33,500
Interest earnings	19,181	-	19,181
Rental income	7,000	-	7,000
Other income	2,075	-	2,075
Total Revenue	731,804	-	731,804
Expenditures:			
Current Operating:			
Administration	60,148	(4,813)	55,335
Fire fighting and emergency response	306,493	-	306,493
Capital outlay	79,132	(79,132)	-
Depreciation	-	137,432	137,432
Total Expenditures	445,773	53,488	499,261
Revenue over Expenditures	286,031	(53,488)	232,543
Fund Balance/Net Position, Beginning of Year	1,962,264	2,302,543	4,264,807
Fund Balance/Net Position, End of Year	\$ 2,248,295	\$ 2,249,055	\$ 4,497,350

See Accompanying Notes to Financial Statements.

BRIGGSDALE FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON STATEMENT

Year Ended December 31, 2020	Actual	Final Budget	Variance From Budget
Revenue:			
General property taxes	\$ 670,048	\$ 671,078	\$ (1,030)
Specific ownership taxes	33,500	45,000	(11,500)
Interest earnings	19,181	7,500	11,681
Rental income	7,000	12,000	(5,000)
Other income	2,075	25,000	(22,925)
Total Revenue	731,804	760,578	(28,774)
Expenditures:			
Administration:			
Postage & office supplies	1,900	400	(1,500)
Dues & memberships	3,847	3,700	(147)
Insurance	3,212	2,500	(712)
Trash & sanitation	1,344	1,600	256
Electricity	3,419	6,000	2,581
Water	969	1,200	231
Propane	4,215	5,500	1,285
Telephone and communications	2,436	9,700	7,264
Legal	5,844	7,400	1,556
Elections	146	500	354
Accounting	12,361	14,000	1,640
Professional services	12,814	3,000	(9,814)
Travel and miscellaneous	7,641	3,500	(4,141)
Total Administration	60,148	59,000	(1,148)
Fire Fighting:			
Vehicle expense	47,050	82,000	34,950
Operating supplies and equipment	93,496	97,000	3,504
Training	8,046	10,000	1,954
Repairs and maintenance	5,116	20,000	14,884
Firefighter stipend	34,915	30,000	(4,915)
Shop supplies	11,345	5,000	(6,345)
Insurance	7,324	24,614	17,290
Banking services	28	100	72
County treasurer fees	10,070	10,069	(1)
Pension fund contributions	26,844	31,344	4,500
Payroll expenses	62,091	155,000	92,909
Interest	170	-	(170)
Total Fire Fighting	306,493	465,127	158,634
Capital Outlay:			
Vehicles, equipment, furniture and fixtures	79,132	199,318	120,187
Communications	-	-	-
Total Capital Outlay	79,132	199,318	120,187
Total Expenditures	445,773	723,445	277,672
Revenue Over Expenditures	286,031	37,133	248,898
Fund Balance, January 1, 2020	1,962,264	1,962,264	-
Fund Balance, December 31, 2020	\$ 2,248,295	\$ 1,999,397	\$ 248,898

See Accompanying Notes to Financial Statements.

BRIGGS DALE FIRE PROTECTION DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2020	Volunteer Pension Trust Fund
<u>ASSETS</u>	
Bank Money Market Account	\$ 207,772
Total Assets	207,772
<u>LIABILITIES</u>	
Distributions Payable	-
Total Liabilities	-
NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ 207,772

See Accompanying Notes to Financial Statements.

BRIGGSDALE FIRE PROTECTION DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended December 31, 2020	Volunteer Pension Trust Fund
Additions:	
Contributions:	
District	\$ 26,844
State contribution	-
Total Contributions	26,844
Investment income:	
Interest	800
Other income	-
Total Investment Income	800
Total Additions	27,644
Deductions:	
Benefits	800
Professional fees	-
Total Deductions	800
Net Increase	26,844
Net Position Restricted for Pension Benefits, Beginning of Year	180,928
Net Position Restricted for Pension Benefits, End of Year	\$ 207,772

See Accompanying Notes to Financial Statements.

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Briggsdale Fire Protection District (the District) conform to generally accepted accounting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Reporting Entity:

The financial report of the District includes all of the integral parts of the District's operations. The District has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity.

Government-wide and Fund Financial Statements:

The District reports as a special purpose government engaged in a single governmental program. The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

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

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 a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued:

Property taxes and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District.

The District also reports the following fund type:

The *Volunteer Pension Trust Fund* accounts for the activities of the Briggsdale Fire Protection District Volunteer Pension Plan (the Plan), which accumulates resources for pension benefit payments to qualified volunteers. The Plan uses the accrual basis of accounting. Matching and District contributions are recognized as revenues in the period in which the contributions are due. Benefits are recognized when due and payable in accordance with terms of the Plan.

Capital Assets:

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

Acquisitions of capital assets are recorded as capital outlay expenditures within the governmental funds. Depreciation has been provided on capital assets, using straight line methods over the useful lives of the assets (buildings 50 years, trucks 20 years, and equipment 10 years). The District's capitalization level is \$5,000.

Property Taxes:

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the same year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The District uses the Weld County Treasurer to bill and collect its property taxes. An allowance for uncollectible taxes is not provided as the uncollectible amounts were determined to be negligible. Taxes levied in December 2020 are recorded as taxes receivable and unearned revenue as of December 31, 2020.

The original January 1, 2020 levy for the General Fund of the District was 4.002 mills or approximately \$711,571.

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Budget:

An annual budget and appropriation resolution is adopted by the Board of Directors in accordance with the Local Government Budget Law. The budget is prepared on a basis consistent with generally accepted accounting principles for all funds. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The Board is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Board through a supplemental appropriation resolution. The budget was not amended in 2020.

Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are legally restricted by law or outside parties for use for specific purpose.

Restrictions for the District are recorded up to the maximum equity available in the fund balance and consist of:

Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR emergency reserves at December 31, 2020 are \$21,954.

Assigned fund balances, if any, are amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Directors or by an official to which the Board delegates authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

Net Position:

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

The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Pensions:

BFPD participates in a defined benefit pension fund administered by the District. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, if any, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Implementation of GASB Statement No. 73:

As of December 31, 2017, the District adopted GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68*. The implementation of this standard requires governments to calculate and report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The additional disclosures required by this standard are included in Note 4.

NOTE 2 - Cash and Investments:

The District's bank accounts at year-end were entirely covered by federal depository insurance or by collateral held by the District's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

At December 31, 2020, the District had invested \$862,090 in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. CSAFE operates similarly to a money market fund and each share is valued at the net asset value (NAV) of \$1.00. Investments of CSAFE consist of bills, notes, and bonds issued by the U.S. Treasury or a government agency, and repurchase agreements secured by such obligations. CSAFE is rated AAAM by Standard & Poor's. The District's interest is valued at NAV.

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - Capital Assets:

	Balance, 1/1/20	Additions	Deletions	Balance, 12/31/20
Land and Improvements	\$ 20,357	\$ --	\$ --	\$ 20,357
Buildings and Improvements	1,256,857	--	--	1,256,857
Equipment and Vehicles	1,484,287	79,132	--	1,563,349
Total Capital Assets	2,761,501	79,132	--	2,840,633
Less Accumulated Depreciation:				
Building and Improvements	68,357	11,401	--	79,758
Equipment and Vehicles	477,708	126,031	--	603,739
Total Accumulated Depreciation	546,065	137,432	--	683,497
Capital Assets, net	\$2,215,436	\$ (58,300)	\$ --	\$2,157,136

NOTE 4 – Volunteer Pension Plan:

The District's defined benefit pension plan for volunteers provides retirement and benefits to plan members and beneficiaries. The plan does not have separate financial statements. The District's board of directors has authorized the plan and can amend it. The plan does not have assets accumulated in a trust.

Contribution requirements of the District are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Districts are allowed to levy up to a 1.00 mil property tax to provide pension contributions and may also contribute other revenues. Contributions to the plan for the year ended December 31, 2020 included \$0 from State of Colorado matching and \$26,841 of property taxes levied by the District.

At December 31, 2020, pension plan membership consisted of 18 active members and one beneficiary. The monthly pension benefit is \$100.

At December 31, 2020, BFPD reported a asset of \$91,920 for its net pension asset. The net pension asset was measured as of December 31, 2019.

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Volunteer Pension Plan – Continued:

For the year ended December 31, 2020, BFPD recognized pension expense of \$22,031. At December 31, 2020, BFPD did not have material deferred outflows of resources or deferred inflows of resources related to pensions.

Actuarial assumptions: The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.75 percent
Retirement age	50% per year of eligibility until 100% at age 65
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	2.0 percent

Mortality rates were based on the RP-2014, adjusted back to 2006 with Scale MP-2014 and projected forward to 2018 with Scale MP-2017, fully generational using the ultimate rates from Scale MP-2017.

This actuarial valuation uses the assumptions and methods applicable for volunteer fire plans that were adopted as a result of the 2015 Experience Study as used for the Fire and Police Pension Association of Colorado (FPPA).

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 2.0 percent as the investments are primarily bank money market accounts.

Discount rate: The discount rate used to measure the total pension liability was 2.0 percent, or the yield or index rate for 20-year tax-exempt general obligation municipal bonds, per GASB Statement No. 73.

Sensitivity of the BFPD total pension liability to changes in the discount rate: The following presents the net pension asset calculated using the discount rate of 2.0 percent, as well as what the net pension liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower (1.0 percent) or 1-percentage-point higher (3.0 percent) than the current rate:

December 31, 2020	1% Decrease (1.0%)	Current Discount Rate (2.0%)	1% Increase (3.0%)
Total pension liability	\$ 140,981	\$ 115,852	\$ 96,664

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Volunteer Pension Plan – Continued:

The following is a schedule of the changes in the total pension liability and the net pension asset for the year ended December 31, 2020:

Total Pension Liability	2020
Service cost	\$ 4,553
Interest on the total pension liability	2,642
Difference between expected and actual experience	--
Change in assumptions	14,836
Benefit payments	--
Net changes in total pension liability	22,031
Total Pension Liability - beginning	93,821
Total Pension Liability – ending	\$ 115,852
Plan Fiduciary Net Position	
Contributions – employer	\$ 26,844
Net investment income	800
State contributions	--
Benefit payments	(800)
Net change in plan fiduciary net position	26,844
Plan Fiduciary Net Position – beginning	180,928
Plan Fiduciary Net Position – ending	\$ 207,772
District’s net pension asset – ending	\$ 91,920

There were no significant changes in the benefit terms, assumptions, or other inputs during the year.

BRIGGS DALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – Contingencies:

In 1992 the Colorado voters approved the "Taxpayer's Bill of Rights" (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. Included in the accompanying financial statements are emergency reserves of at least 3% of fiscal year spending.

In 2008, the electors of the District voted to supersede TABOR and to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries; and natural disasters. The District purchases commercial insurance for risks of loss in excess of deductible amounts. Settled claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 6 – Reconciliation Between General Fund Balance Sheet and the Statement of Net Position:

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

<u>December 31, 2020</u>	
Fund balance of General Fund	\$ 2,248,295
Capital assets used in governmental activities are not financial resources and therefore are not reported in the General Fund	2,157,135
Net pension asset is not reported in the General Fund	91,920
<u>Total Net Position</u>	<u>\$ 4,497,350</u>

BRIGGSDALE FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the General Fund to the Statement of Activities:

<u>Year Ended December 31</u>	<u>2020</u>
Net change in fund balance – General Fund	\$ 286,031
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
The General Fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year	(58,301)
Pension expense less than pension plan contributions	4,813
<u>Change in Net Position of Governmental Activities</u>	<u>\$ 232,543</u>

BRIGGSDALE FIRE PROTECTION DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Contributions - Volunteer Plan

Year Ended December 31	Actuarially Required Contributions	Contributions Made	Contribution Deficiency
2020	\$ -	\$ 26,844	\$ -
2019	-	33,147	-
2018	-	28,549	-
2017	-	33,256	-
2016	-	44,809	-
2015	-	38,040	-

Methods and Assumptions Used:

Actuarial cost method: Entry age
 Amortization method: Level dollar-open
 Remaining amortization period: 20 years
 Asset valuation method: Market value
 Inflation: Implicit
 Benefit increase: None
 Investment return: 2.0%

Schedule of Changes in Net Pension Liability - Volunteer Plan

December 31	2020	2019	2018	2017
Total Pension Liability:				
Annual Service Cost	\$ 4,553	\$ 3,092	\$ 3,457	\$ 3,457
Interest on the Total Pension Liability	2,642	2,784	3,549	4,393
Difference between expected and (actual experience)	-	2,018	-	-
Assumption changes	14,836	12,413	(5,124)	-
Benefit Payments	-	-	(67,200)	-
Total Pension Liability - Beginning	93,821	73,514	138,832	130,982
Total Pension Liability - Ending	\$ 115,852	\$ 93,821	\$ 73,514	\$ 138,832
Plan Fiduciary Net Position:				
Contributions - District	26,844	\$ 33,147	\$ 28,549	\$ 33,256
Net Investment Income	800	825	57	26
State Matching funds	-	55,625	(72,800)	-
Benefits paid	(800)	-	(72,800)	-
Net Change	\$ 26,844	89,597	(44,194)	33,282
Plan Fiduciary Net Position - Beginning	180,928	91,331	135,525	102,243
Plan Fiduciary Net Position - Ending	\$ 207,772	\$ 180,928	\$ 91,331	\$ 135,525
District Net Pension Asset (Liability)	\$ 91,920	\$ 87,107	\$ 17,817	\$ (3,307)
Percentage of Net Pension Asset	179%	193%	124%	97%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available. The plan assets are not accumulated in a trust.

BRIGGS DALE FIRE PROTECTION DISTRICT

Schedule of Investment Returns

Year Ended December 31	Annual Money Weighted Rate Of Return*
2020	0.1%
2019	0.5%
2018	0.1%
2017	0.1%

*Net of investment and administrative expenses