CHAFFEE COUNTY FIRE PROTECTION DISTRICT

Financial Statements
with
Independent Auditors' Report

For the Year Ended
December 31, 2020

Chaffee County Fire Protection District

Table of Contents

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
December 31, 2020

This management's discussion and analysis of the Chaffee County Fire Protection District financial performance provides an overall review of the District's financial activities for the year ended December 31, 2020. The intent of this management's discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the financial statements and the notes to the financial statements to broaden their understanding of the District's financial performance.

Financial Highlights

The District offers fire protection services to over 1,000 square miles of Chaffee County, excluding the towns of Buena Vista, Salida, and the boundaries of the South Arkansas Fire Protection District. The District's assets exceeded its liabilities at the close of 2020 by $3,312,308 *(net position)*, which is an increase of $272,651 from the prior year. Of this amount, $3,261,308 *(unrestricted net position)* may be used to meet the District's ongoing obligations to citizens and creditors.

The District imposes a mill levy of 3.954 mills upon each dollar of the total valuation for assessment of all taxable property with the District. The property taxes received from this mill levy for the 2020 year was $976,019. The District's net position is used for on-going operations and upcoming capital projects, repairs, maintenance and replacement of existing equipment.

The District had total revenues of $1,678,417 in 2020 versus $1,376,330 in 2019, an increase of $302,087. The major difference was in part due to increase in firefighting revenue from strike team deployments.

Using the Basic Financial Statements

The Basic Financial Statements consists of management's discussion and analysis (this section) and a series of financial statements and notes to those statements. The statements are organized so that the reader can understand the District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first statement, The Statement of Net Position, provides long and short-term information about the District's overall financial status.

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 financial position of the District is improving or deteriorating.

The remaining statements are fund financial statements that focus on individual parts of the District's operations in more detail.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-Wide Financial Statements

Governmental Type Activities:
The District's governmental-type activity consists of the fire protection district operations. The District's fire protection district operations are supported primarily by property taxes received and charges for services.

Financial Analysis of the District as a Whole

Net position increased in 2020 by $272,651 to $3,312,308, compared to the increase in 2019 of $199,338 to $3,039,657.

Cash and investments of the District on December 31, 2020 totaled $1,340,101 and at December 31, 2019 totaled $1,455,007, not including amounts held for pension benefits, which were $2,588,812 in 2020 and $2,490,068 for 2019.

Capital assets, net of accumulated depreciation, of the District on December 31, 2020 totaled $1,658,174, a net change of $97,258.

Net position

A summary of the District's net position at December 31, 2020 and 2019 is as follows:

Condensed Statement of Net Position

	2020	2019
Current Assets	$ 2,425,854	$ 2,484,007
Non Current Assets		
Capital Assets - Net	1,732,558	1,755,432
Total Assets	4,158,112	4,239,439
Deferred Outflows of Financial Resources	298,097	352,150
Current Liabilities	122,798	73,838
Non Current Liabilities	18,243	215,924
Total Liabilities	141,041	289,762
Deferred Inflows of Financial Resources	1,303,157	1,260,170
Net Position		
Restricted Net Position	51,000	42,000
Unrestricted Net Position	3,261,308	2,997,657
Total Net Position	$ 3,312,308	$ 3,039,657

Condensed Statement of Activities

CONDENSED STATEMENT OF ACTIVITIES

	2020	2019
PROGRAM REVENUES		
Charges for Services	$ 473,983	$ 257,540
Operating Grants & Contributions	75,497	91,748
Capital Grants & Contributions	-	-
Total Program Revenues	549,480	349,288
GENERAL REVENUES		
Property Taxes	976,019	864,563
Other Taxes	120,331	122,035
Investment Earnings	11,323	33,020
Other Revenues	21,264	7,424
Total General Revenues and Transfers	1,128,937	1,027,042
Total Revenues	1,678,417	1,376,330
PROGRAM EXPENSES		
Public Safety	1,405,766	1,176,992
Change in Net Position	272,651	199,338
Net Position, Beginning	3,039,657	2,840,319
Net Position, Ending	**$ 3,312,308**	**$ 3,039,657**

Budget and Actual Comparisons

Actual revenues exceeded expenditures by $148,667 in 2020. Total General Fund budget revenues were more than actual by $1,790 while the actual expenditures were $832 less than budgeted for 2020. The most significant difference between budget and actual expenses was related to personnel costs.

Capital Assets

The total accumulated depreciation for 2020 was $106,449, with the total net decrease of $97,257, leaving a balance of $1,658,174 in net capital assets.

The following is a summary of capital asset activity:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Capital assets not being depreciated				
Land	$ 183,016	$	$	$ 183,016
Construction in Progress	70,708	46,197	-	116,905
Total capital assets not being depreciated	253,724	46,197	-	299,921
Capital assets being depreciated				
Buildings and improvements	917,127	-	-	917,127
Equipment	670,421			670,421
Vehicles and accessories	2,969,273	57,995	95,000	2,932,268
Total capital assets being depreciated	4,556,821	57,995	95,000	4,519,816
Total capital assets	4,810,545	104,192	95,000	4,819,737
Accumulated depreciation				
Buildings and improvements	(311,189)	(17,835)		(329,024)
Equipment	(493,959)	(32,847)	-	(526,806)
Vehicles and accessories	(2,249,986)	(150,747)	(95,000)	(2,305,733)
Total accumulated depreciation	(3,055,134)	(201,429)	(95,000)	(3,161,563)
Net capital assets being depreciated	1,501,707	(143,434)	-	1,358,253
Net capital assets	**$ 1,755,431**	**$ (97,257)**	**$ -**	**$ 1,658,174**

Long Term Obligations

The District also posted a total of $14,360 in accrued compensated absences.

Additional information on the long term obligations can be found in Note 5 of the financial statements.

The following is a summary of long term obligations:

	Balance 12/31/19	Additions	Repayments	Balance 12/31/20	Current Portion	Interest Expense
2017 Copier Lease	$ 5,766	$	$ 1,883	$ 3,883	$ 1,979	$ 246
Accrued Compensated Absences	10,580	3,780		14,360		
Total Long-Term Liabilities	**$ 16,346**	**$ 3,780**	**$ 1,883**	**$ 18,243**	**$ 1,979**	**$ 246**

The Future of the District

The District is in the process of developing a strategic plan to outline the future of any possible capital projects, apparatus replacement, or staffing. On May 12, 2021 the District entered into an agreement with the Town of Buena Vista to provide fire emergency services to the Town. With the execution of the agreement the District will look to hire an additional Inspector/Firefighter and a Maintenance Assistant/Firefighter. The District will continue to maintain current equipment and apparatus while planning for replacement of critical equipment that has become obsolete or fails service tests. Construction Remodel of the District's training room, along with training grounds development, will continue through 2021, with classroom completion in June 2021. The District will maintain the resident firefighter program based out of Nathrop, which is currently filled with 5 residents. The resident program will expand with the remodel of Station 4 in Poncha Springs to add living quarters for 6. Construction began February 2021 and will continue through January 2022. The District has entered into a contract for construction in the amount of $658,000 with grant funding of $200,000 through Department of Local Affairs (DOLA). Seeking additional grants will continue to be a major focus to assist in replacement of equipment now and into the future. The District will maintain its wildland program, including 10 positions in the wildland reserve program, which hosts qualified individuals to increase the available pool of personnel. The wildland program deploys resources on major fires and provides supplemental income to the District.

Request for Information

The financial report is designed to provide information for regulatory reporting to federal and state agencies and those with an interest in the District's finances. Questions concerning this or any additional information should be addressed to Chaffee County Fire Protection District, 499 Antero Cir, Buena Vista CO 81211.

Mayberry & Company, LLC
Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Directors
Chaffee County Fire Protection District
Buena Vista, Colorado

Independent Auditors' Report

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 Chaffee County Fire Protection District as of and for the year ended December 31, 2020, and the related notes to the financial statements which collectively comprise the basic financial statements of the District, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

Opinion
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 Chaffee County Fire Protection District, Colorado, as of December 31, 2020, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Chaffee County Fire Protection District's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 16, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information – Management's Discussion and Analysis and Pension Schedules

Accounting principles generally accepted in the United States of America require that a management's discussion and analysis on pages M1 – M5 and pension schedules on pages 34 - 38 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.

Required Supplementary Information – General Fund Budgetary Comparison Schedule and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the General Fund budgetary comparison schedule page 39 be presented as supplementary information. 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. The schedules listed as other supplementary information page 40 are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Mayberry & Company, LLC

Englewood, Colorado
April 13, 2021

Basic Financial Statements

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Statement of Net Position
December 31, 2020

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS	
ASSETS	
Current Assets	
Cash and Equivalents	$ 1,299,018
Investments	41,086
Cash with Fiscal Agent	10,742
Property Tax Receivable	1,021,054
Accounts Receivable	348,288
Prepaid Expenses	5,666
Total Current Assets	2,725,854
Noncurrent Assets	
Capital Assets Not Being Depreciated	299,921
Capital Assets Being Depreciated, net	1,358,253
Net Pension Asset	74,384
Total Noncurrent Assets	1,732,558
Total Assets	4,458,412
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES	
Deferred Outflows - Pensions (net)	298,094
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 4,756,506
LIABILITIES, DEFERRED INFLOWS AND NET POSITION	
LIABILITIES	
Current Liabilities	
Accounts Payable	$ 111,950
Accrued Payroll	10,848
Total Current Liabilities	122,798
Noncurrent Liabilities	
Due Within One Year	1,979
Due in Excess of One Year	16,264
Total Noncurrent Liabilities	18,243
Total Liabilities	141,041
DEFERRED INFLOWS OF FINANCIAL RESOURCES	
Deferred Property Taxes	1,021,054
Deferred Inflows - Pensions (net)	282,103
Total Deferred Inflows	1,303,157
NET POSITION	
Restricted Net Position	51,000
Unrestricted Net Position	3,261,308
Total Net Position	3,312,308
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 4,756,506

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Statement of Activities
Year Ended December 31, 2020

Function/Program	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities
Governmental Activities:				
Public Safety	$ 1,405,766	$ 473,983	$ 75,497	$ (856,286)
General Revenues:				
Property Taxes, levied for general purposes				976,019
Specific Ownership Taxes				120,331
Investment Earnings				11,323
Other Revenues				21,264
Total General Revenues				1,128,937
Change in Net Position				272,651
Net Position, Beginning				3,039,657
Net Position, Ending				$ 3,312,308

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Balance Sheet - Governmental Fund
December 31, 2020
(With Comparative Totals for December 31, 2019)

	General Fund	
	2020	**2019**
ASSETS		
Cash and Equivalents	$ 1,299,018	$ 1,414,432
Investments	41,086	40,575
Cash with Fiscal Agent	10,742	10,159
Property Tax Receivable	1,021,054	974,834
Accounts Receivable	348,288	42,007
Prepaid Expenses	5,666	-
Total Assets	$ 2,725,854	$ 2,482,007
LIABILITIES DEFERRED INFLOWS AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$ 111,950	$ 63,471
Accrued Payroll	10,848	10,367
Total Liabilities	122,798	73,838
DEFERRED INFLOWS OF FINANCIAL RESOURCES		
Deferred Property Taxes	1,021,054	974,834
FUND BALANCE		
Nonspendable	5,666	-
Restricted for Emergencies	51,000	42,000
Unassigned	1,525,336	1,391,335
Total Fund Balance	1,582,002	1,433,335
Total Liabilities, Deferred Inflows and Fund Balance	$ 2,725,854	$ 2,482,007

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Reconciliation of Governmental Fund Balance to Governmental
Activities Net Position
December 31, 2020

Fund Balance - Governmental Funds		$ 1,582,002
Amounts reported for governmental activities in the statement of net position because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Capital Assets	$ 4,819,737	
Accumulated Depreciation	(3,161,563)	1,658,174
Long-term liabilities, including capital leases and notes payable are not due and payable in the current period and, therefore, are not reported in the funds:		
Capital Leases Payable	(3,883)	
Accrued Compensated Absences	(14,360)	(18,243)
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds		
<u>FPPA Statewide Defined Benefit Plan</u>		
Net pension asset	19,290	
Deferred outflows - pensions (net)	185,505	
Deferred inflows - pensions (net)	(82,893)	121,902
<u>Chaffee County Fire Protection District Pension Fund</u>		
Net pension asset	55,094	
Deferred outflows - pensions (net)	112,589	
Deferred inflows - pensions (net)	(199,210)	(31,527)
Net Position - Governmental Activities		$ 3,312,308

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance -
Governmental Fund
Year Ended December 31, 2020
(With Comparative Totals for the Year Ended December 31, 2019)

	General Fund	
	2020	**2019**
REVENUES		
Taxes	$ 1,096,350	$ 986,598
Intergovernmental	75,497	91,718
Charges for Services	473,983	257,570
Investment Earnings	11,323	33,020
Other Revenues	21,264	7,424
Total Revenues	1,678,417	1,376,330
EXPENDITURES		
Current		
Public Safety (Operations)	1,065,177	849,510
Pension Expenses	165,843	154,167
Capital Outlay	298,730	173,429
Total Expenditures	1,529,750	1,177,106
Change in Fund Balance	148,667	199,224
Fund Balance, Beginning	1,433,335	1,234,111
Fund Balance, Ending	$ 1,582,002	$ 1,433,335

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Reconciliation of Governmental Fund Change in Fund Balance to
Governmental Activities Change in Net Position
Year Ended December 31, 2020

Change in Fund Balance - Governmental Funds		$ 148,667
Amounts reported for governmental activities in the statement of activities are different because:		
Purchases of capital assets are expensed in the funds and depreciated for the statement of activities while capital asset deletions are not reported in the funds:		
Capital Outlay	$ 26,126	
Depreciation Expense	(123,384)	(97,258)
Principal payments are recorded as expenses in the funds and reductions of liabilities on the statement of net position, while new capital leases are reported as revenues in the funds		
Capital Lease Principal		1,883
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		
Change in deferred outflows - pensions (net)	(54,056)	
Change in net pension asset/liability	273,962	
Change in deferred inflows - pensions (net)	3,233	223,139
Accrued compensated absences are expensed when paid in the funds and are recorded as long term obligations for the statement of net position		
Change in Accrued Compensated Absences		(3,780)
Change in Net Position - Governmental Activities		$ 272,651

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Statement of Fiduciary Net Position -
Pension Trust Fund
December 31, 2020
(With Comparative Totals for December 31, 2019)

	Total	
	2020	**2019**
ASSETS		
Restricted Cash and Investments	$ 2,588,812	$ 2,490,068
Accounts Receivable	41,357	41,357
Total Assets	2,630,169	2,531,425
LIABILITIES		
Accounts Payable	1,834	8,557
NET POSITION		
Restricted for Retirement Benefits	$ 2,628,335	$ 2,522,868

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Statement of Changes in Fiduciary Net Position -
Pension Trust Fund
Year Ended December 31, 2020
(With Comparative Totals for the Year Ended December 31, 2019)

	Total	
	2020	**2019**
ADDITIONS:		
Contributions		
State Matching Contribution	$ 41,357	$ 41,357
District Contributions	123,272	108,897
Investment Earnings	135,764	287,704
Total Additions	300,393	437,958
DEDUCTIONS:		
Pension Benefit Payments	170,171	172,356
Accounting	1,775	900
Actuarial Fees	4,500	10,000
Investment Fees	18,480	18,126
Total Deductions	194,926	201,382
Change in Fiduciary Net Position	105,467	236,576
Net Position, Beginning	2,522,868	2,286,292
Net Position, Ending	$ 2,628,335	$ 2,522,868

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

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Chaffee County Fire Protection District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

REPORTING ENTITY

Chaffee County Fire Protection District is a quasi-municipal corporation governed by an elected five-member board of directors. The District is governed pursuant to provisions of the Colorado Special District Act. The District was established in 1975 to provide fire protection services to Chaffee County, excluding the towns of Buena Vista and Salida, and a portion of Chaffee County served by another district. As required by generally accepted accounting principles, these financial statements present the Chaffee County Fire Protection District (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the District's financial statements to be misleading or incomplete. Based upon the foregoing criteria, there are no component units included in the accompanying financial statements, nor is the District a component unit of another entity.

BASIC FINANCIAL STATEMENTS

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements report information about the reporting government as a whole. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or business-type activity. 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 business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business type activity. Taxes and other items not included among program revenues are reported instead as general revenues.

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIC FINANCIAL STATEMENTS (Continued)

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column in the financial section of the basic financial statements. The District's operations consist of a General Fund (governmental) and a Pension Trust Fund.

The District's fiduciary fund is presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (other local governments, individuals, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide 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, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized 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 the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

The District reports the following major governmental fund:

<u>General Fund</u>
This fund accounts for the financial resources of the District which are not accounted for in any other fund. Principal sources of revenue are property taxes, intergovernmental revenue and interest. Primary expenditures are for fire protection and general administration.

Additionally, the District reports the following fund type:

The District also reports the following fiduciary fund:

<u>Pension Trust Fund</u>
The District has established the Chaffee County Fire Protection District Pension Fund (Volunteer Firefighters) to provide pension and other benefits to the volunteer firefighters and their dependents (Note 4).

Budgets

The District adopts an annual budget for all funds which are all prepared on the modified accrual basis of accounting. The District may authorize supplemental appropriations during the budget year. All budgetary appropriations lapse at year-end.

Colorado statutes provide the following timetable which is followed in the adoption of budgets:

(1) Submission of the proposed budget to the local governing body by October 15 of each year.
(2) Certification of mill levies to the Board of County Commissioners by December 15.
(3) Final adoption of budget and appropriations by December 31 of each year.
(4) Property taxes are due by April 30 of each year if paid in full, or in two installments due February 28 and June 15 of each year.
(5) Liens are placed on property for which taxes are delinquent in November of each year.

Encumbrances

The District does not utilize encumbrance accounting.

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (Continued)

Cash and Cash Equivalents

The District's cash and cash equivalents include cash in bank, certificates of deposit with a maturity date of three months or less and liquid investments as part of its cash and cash equivalents.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. The District has not recorded an allowance against outstanding receivables.

Governmental funds report deferred inflows of resources, as further described below in connection with receivables for revenues that are not considered to be available to liquidate liabilities for the current period. At the end of the current year, these receivables primarily consisted of property taxes levied in 2020 and due in 2021.

Capital Assets

Capital assets, which include land, machinery and equipment (furniture, vehicles, computers, etc.), are reported in the Governmental Activities column of the Government-Wide Financial Statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and Improvements	10-40 years
Equipment	5-25 years
Vehicles and Accessories	10-30 years

Deferred Outflows and Inflows of Financial Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents an use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The government has pension related items, which arises only under the full accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, contributions subsequent to measurement date and the difference between projected and actual investment returns, the difference between projected and actual pension experience, changes in plan assumptions and changes in the District's proportionate share of the underlying pension asset or liability, are reported in the governmental activities statement of net position. These amounts are deferred and recognized as an outflow of resources in the period that the amounts become due.

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (Continued)

Deferred Outflows and Inflows of Financial Resources (Continued)

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items, property taxes, which arises both under the full accrual and modified accrual basis of accounting, and pension related items that only are reported under full accrual, that qualify for reporting in this category. The property tax item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced. The pension items are the difference between projected and actual pension experience, pension earnings, changes in assumptions and changes in the District's proportionate share of the underlying pension asset or liability. The pension differences and changes are amortized based on the requirements of GASB Statement 68.

Accrued Leave

The District's policy is to pay out all accrued but unused vacation leave and compensatory time, and up to 80 hours of accrued but unused sick leave at the current rate of pay upon an employee's resignation; provided that an employee who resigns while a disciplinary action is pending shall not be paid for accrued but unused sick leave. An employee may carryover up to 80 hours of accrued vacation into the next fiscal year, however, sick leave is not carried over. Upon retirement from the District an employee is eligible for payment of all unused sick leave, vacation time, and compensatory time. Employees who are terminated for disciplinary reasons are paid for accrued but unused compensatory time and vacation time, but are not paid for accrued but unused sick leave.

Long-Term Obligation

Long-term debt is reported at face value, net of applicable discounts and deferred gains or charges on refunding. Costs related to the issuance of debt are expensed when incurred. Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statements of net position.

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (Continued)

Net Position/Fund Balance

In the government-wide financial statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. The District currently does not have this category of fund balance.

Fund balance is reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. The District's restricted fund balance represents the funds set aside to satisfy the TABOR emergency reserve requirement discussed in Note 6.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors, are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts. The District currently has no committed funds.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The District currently has assigned fund balances for specific uses as well as through the adoption of the 2019 budget.

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

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 2: CASH AND INVESTMENTS

The District's cash and investment balances are comprised of the following:

Cash and equivalents	$ 28,548
Investment bank deposits	41,086
Restricted pension bank deposits	166,400
Total bank deposits	236,034
Investments (cash equivalent)	1,270,470
Restricted pension investments	2,422,412
Total investments	3,692,882
Total cash and investments	$ 3,928,916

The cash and investments are presented in the financial statements as follows:

Cash and equivalents	$ 1,299,018
Investments	41,086
Restricted pension cash and investments	2,588,812
Total cash and investments	$ 3,928,916

Deposits

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels ($250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is 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 equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized.

NOTE 2: <u>CASH AND INVESTMENTS</u> (Continued)

DEPOSITS (Continued)

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and December 31, 2020, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

The District's deposits are categorized as follows:

	Bank Balance	Book Balance
FDIC Insured deposits	$ 266,153	$ 236,031

* Not in District's name

INVESTMENTS

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the year ended December 31, 2020 using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3):

	Level 1	Level 2	Level 3	Uncategorized	Total	Weighted Avg Mat
Investment Pools	$ -	$ -	$ -	$ 1,145,273	$ 1,145,273	-
Pension Mutual Funds	-	2,114,033	-	-	2,114,033	-
Pension Treasury Investments	-	308,380	-	-	308,380	10.17
Total Investments	$	$2,422,412	$	$ 1,145,273	$ 3,567,685	0.88

The District's local government pool investment, further described below, is not subject to categorization of the fair value disclosures.

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

- **Mutual Funds and Treasury Investments**: Valued at quoted market prices of similar assets.

The District recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. During 2020, there were no changes in the methods or assumptions utilized to derive the fair value of the District's assets and liabilities.

NOTE 2: **CASH AND INVESTMENTS** (Continued)

INVESTMENTS (Continued)

Credit Risk
Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Noninsured trust pension plans with a bank or trust company authorized to exercise trust powers in this state as a trustee.

The District's investment policy limits its investments to those allowed by Colorado Revised Statute 31-30-1113 as described above, and as otherwise indicated in the statute.

The District has invested $1,145,273 in the Colorado Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The investment is valued at net asset value. Investments of the Trusts consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to the Trusts in connection with the direct investment and withdrawal functions of the Trusts. Substantially all securities owned by the Trusts are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the Trusts. Colotrust is rated AAAm by Standard and Poor's.

Concentration of Credit Risk

As of December 31, 2020 the District had concentration of credit risk as shown in the below table.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2020, the District's pension investments were held by Comerica Bank and Trust, N.A.

NOTE 2: **<u>CASH AND INVESTMENTS</u>** (Continued)

PENSION INVESTMENTS

At December 31, 2020, the District's pension investments consisted of the following:

Investment Type	Fair Value	Wgtd Avg Maturity	Rating
Mutual Funds	$2,114,032		N/A
Fixed Income Securities (Bank Deposits)	166,400	6.05	N/A
U.S. Treasuries	308,381	10.17	
Total Pension Investments	$2,588,813	1.48	

The following is an allocation of the pension balances by individual investment:

Allocation of Balances	Fair Value	% of Total
U. S. Treasury Bonds and Strips	$ 308,381	11.91%
Mutual Funds		
Invesco Premier U.S. Govt Money Portfo	285,180	11.02%
Catalyst/Warrington Hedge Strategy	150,751	5.82%
UBS Tactical Allocation	166,318	6.42%
Prudential Total Return Bond	150,499	5.81%
All Other Mutual Funds	1,361,284	52.58%
Cash Deposits	166,400	6.43%
Total Pension Investments	$2,588,813	100.00%

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3: CAPITAL ASSETS

Capital Asset Activity for the year ended December 31, 2020 was as follows:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Capital assets not being depreciated				
Land	$ 183,016	$	$	$ 183,016
Construction in Progress	70,708	46,197		116,905
Total capital assets not being depreciated	253,724	46,197		299,921
Capital assets being depreciated				
Buildings and improvements	917,127	-	-	917,127
Equipment	670,421	-	-	670,421
Vehicles and accessories	2,969,273	57,995	95,000	2,932,268
Total capital assets being depreciated	4,556,821	57,995	95,000	4,519,816
Total capital assets	4,810,545	104,192	95,000	4,819,737
Accumulated depreciation				
Buildings and improvements	(311,189)	(17,835)		(329,024)
Equipment	(493,959)	(32,847)		(526,806)
Vehicles and accessories	(2,249,966)	(150,767)	(95,000)	(2,305,733)
Total accumulated depreciation	(3,055,114)	(201,449)	(95,000)	(3,161,563)
Net capital assets being depreciated	1,501,707	(143,454)	-	1,358,253
Net capital assets	**$ 1,755,431**	**$ (97,257)**	**$ -**	**$ 1,658,174**

NOTE 4: PENSION PLANS

VOLUNTEER FIREMEN'S PENSION FUND

Plan Description

The District is trustee for a single-employer defined benefit pension plan ("Chaffee County Fire Protection District") for all volunteer firefighters. The plan is included as pension trust fund in the District's financial statements. The plan is administered by a Board of Trustees composed of the five members of the District's Board of Directors and two District volunteer, retired volunteer or active retiree firefighters selected in accordance with Colorado State Statutes. The plan provides normal retirement benefits as well disability and survivor benefits. In 2019, the regular benefit was $440 per month or a prorated benefit after 10 year of qualified service, the greater of one half the benefits for normal retirement or $225 per month for temporary disability, $450 per month for full disability and a 50% death benefit. Any eligible firefighter may begin receiving a monthly pension upon attaining age 50. The plan does not issue stand-alone financial statements.

NOTE 4: **PENSION PLANS** (Continued)

VOLUNTEER FIREMEN'S PENSION FUND (Continued)

Funding Policy

The Volunteer Firefighter's Pension Plan receives contributions from the District in an amount not to exceed one mill of property tax revenue. The District is currently contributing on the basis of .5 mills on the assessed valuation. Because the District's monthly benefit exceeds $300, the State of Colorado contributes the greater of (a) the contribution amount that would have been actuarially required if the monthly pension benefit was $300 in the immediately preceding year, or (b) the highest State contribution the District received in 1998 through 2001. The State's contribution may not exceed the amount of revenue that would be generated from a .5 mill tax on the District's net assessed valuation in the immediately preceding year. The District received $41,357 from the State for its contribution match of the District's $123,272 contribution. The District had not received the State's $41,357 contribution until January 2021. It was recorded as a receivable and payable to the plan as of December 31, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the District reported pension assets of $2,628,335 and a total pension liability of $2,573,241, for a net pension asset of $55,094. The net pension liability was measured as December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021.

For the year ended December 31, 2020, the District recognized pension income of $86,816. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ -	$ (94,041)
Changes of assumptions or other inputs	$ -	$ (18,371)
Net difference between projected and actual earnings on pension plan investments	$ 112,589	$ (86,798)
Total	$ 112,589	$ (199,210)

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: **PENSION PLANS** (Continued)

VOLUNTEER FIREMEN'S PENSION FUND (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Amortization Amount
2021	$ (70,781)
2022	1,034
2023	(22,324)
2024	5,490
Total	$ (86,621)

Actuarial assumptions. The actuarially determined contribution was determined as part of the January 1, 2021 actuarial valuation using the entry age actuarial cost method with a level amount open amortization period with 20 year remaining amortization. Actuarial assumptions included the following:

Actuarial method	Entry Age Normal Cost
Long term investment rate of return, net of pension plan investment expenses, including inflation	5.75%
Amortization Method	Level Dollar, Open
Period	20 years
Asset Valuation Method	Market Value
Salary increase, including wage inflation	0.00%
Cost of Living Adjustments (COLA)	0.00%
Inflation	Implicit
Retirement Age	Earlier of age 50 and 20 years of service. 50% probability for ages 50-64, 100% probability at
Mortality	For active members, RP 2014 Mortality Tables adjusted back to 2006 with Scale MP-2014 and projected forward to 2018 with Scale MP 2017, fully generational using the ultimate rate from Scale MP 2017, with 50% multiplier for males and females. For annuitants, RP-2014 Mortality Tables 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

NOTE 4: <u>PENSION PLANS</u> (Continued)

<u>VOLUNTEER FIREMEN'S PENSION FUND</u> (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return and by adding expected inflation. Best estimates of rates of return for each major asset class included in the pension plan's target asset allocation as of the valuation date are summarized in the following table (note that the rates shown below include the inflation component):

Asset Class	Long-Term Expected Rate of Return	Percentage of Portfolio
Domestic Equity	6.59%	34.06%
International Equity	7.02%	5.60%
Fixed Income	5.85%	43.72%
Cash	0.25%	16.21%
Other	0.00%	0.21%
Total	5.75%	100.00%

Discount Rate - Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 5.75%; the municipal bond rate is 2.75% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"); and the resulting Single Discount Rate is 5.75%.

Sensitivity of the proportionate share of the net pension asset (liability) to changes in the discount rate. The following presents the plan's net pension liability, calculated using a Single Discount Rate of 5.75%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
Proportionate share of the net pension asset (liability)	$ (227,870)	$ 55,094	$ 291,518

NOTE 4: **PENSION PLANS** (Continued)

VOLUNTEER FIREMEN'S PENSION FUND (Continued)

Plan Membership

As of the January 1, 2021 actuarial study, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving	45
Inactive plan members entitled to but not yet receiving	3
Active plan members	28
Total	76

Schedule of Changes in the Volunteer Net Pension Liability

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

Schedule of Changes in District's Net Pension Liability and Related Ratios

Total Pension Liability		2020
Service cost	$	45,868
Interest		150,405
Differences between expected and actual experience		(129,875)
Changes of assumptions		
Benefit payments		(170,171)
Net changes in total pension liability		(103,773)
Total Pension Liability - beginning		2,677,014
Total Pension Liability - ending (a)	$	2,573,241
Plan Fiduciary Net Position		
Contributions - employer	$	123,272
Contributions - state		41,357
Net investment income		117,284
Benefit payments, including refunds of employee contributions		(170,171)
Administrative expense		(6,275)
Other		
Net change in plan fiduciary net position		105,467
Plan fiduciary net position - beginning		2,522,868
Plan fiduciary net position - ending (b)	$	2,628,335
District's net pension liability (asset) - ending (a)-(b)	$	(55,094)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		102.14%

NOTE 4: **PENSION PLANS** (Continued)

Schedule of Changes in the Volunteer Net Pension Liability (Continued)

Changes in Actuarial Assumptions - Mortality tables, withdrawal rates, and disability rates have all been updated since the prior valuation. The assumptions are similar to the assumption set used to value volunteer fire districts in Colorado that are associated with Fire and Police Pension Association of Colorado. Additionally, administrative expenses are now assumed to be equal to an average of the actual expenses for the two prior years. There were no benefit changes during the fiscal year, and no changes to actuarial assumptions from the January 1, 2021 valuation.

STATEWIDE DEFINED BENEFIT PLAN (FPPA)

Summary of Significant Accounting Policies

Pensions. The District participates in the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire & Police Pension Association of Colorado ("FPPA"). The net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB have been determined using the accrual basis of accounting as required by the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the Statewide Defined Benefit Plan (SWDB) - a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), rules and regulations codified by the Fire and Police Pension Association, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report, the most recent of which is for the fiscal year ended December 31, 2018, that can be obtained at http://www.FPPAco.org.

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 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

NOTE 4: **PENSION PLANS** (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan (Continued)

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited 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. 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 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions. Through December 31, 2020, contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8 percent in 2019 and 2020. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2019, members of the SWDB plan and their employers are contributing at the rate of 10.5 percent and 8 percent, respectively, of pensionable earnings for a total contribution rate of 18.5 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 22.5 percent and 23.0 percent of pensionable earnings in 2019 and 2020, respectively. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. The member and employer contribution rates will increase through 2030 as described above for non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contribution, to reflect the actual cost of reentry by department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolutions.

The contribution rate for members and employers of affiliated social security employers is 5.25 percent and 4 percent, respectively, of pensionable earnings for a total contribution rate of 9.25 percent in 2019 and 9.50 percent in 2020. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions are 4 percent in 2019 and 2020. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings. The District is not an affiliated social security employer.

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: **PENSION PLANS** (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan (Continued)

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the District were $20,111 for the plan year ended December 31, 2019 and $24,644 for the fiscal year ended December 31, 2020. The current year contributions will be expensed in 2021 for FPPA purposes. December 31, 2020 employer contributions for reporting as of December 31, 2021, and are a timing difference at year end.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the District reported an asset of $19,290 for its proportionate share of the SWDB's net pension liability. The net pension asset or liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. The District's proportion of the net pension liability was based on District's contributions to the SWDB for the calendar year 2019 relative to the total contributions of participating employers to the SWDB.

At December 31, 2020, the District's proportion was 0.03411%, which was a decrease of 0.00183% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2020, the District recognized pension expense of $11,592. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ 68,648	$ (481)
Changes of assumptions or other inputs	$ 49,048	$
Net difference between projected and actual earnings on pension plan investments	$ 43,370	$ (72,572)
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	$ 9,795	$ (9,740)
Contributions subsequent to the measurement date	$ 24,644	$ -
Total	$ 185,505	$ (82,893)

NOTE 4: <u>PENSION PLANS</u> (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

$24,644 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an adjustment of the net pension asset in the year ended December 31, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Fiscal year total
2021	$ 7,250
2022	4,374
2023	14,858
2024	1,374
2025	15,300
2026-2029	34,804
Total	$ 77,968

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

Actuarial method	Entry Age Normal
Amortization method	Level % of Payroll, Open
Amortization period	30 Years
Long-term investment rate of return, net of	7.00%
Salary increase, including wage inflation	4.25%-11.25%
Cost of Living Adjustments (COLA)	0.00%
* Includes Inflation at	2.50%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

NOTE 4: **PENSION PLANS** (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	38.00%	7.00%
Equity Long/Short	8.00%	6.00%
Private Markets	25.00%	9.20%
Fixed Income	15.00%	5.20%
Absolute Return	8.00%	5.50%
Managed Futures	4.00%	5.00%
Cash	2.00%	2.52%
Total	100.00%	

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

NOTE 4: **PENSION PLANS** (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Discount rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.75 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

Sensitivity of the proportionate share of the net pension asset (liability) to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension asset (liability)	$ (116,961)	$ 19,250	$ 132,293

NOTE 5: LONG-TERM OBLIGATIONS

Capital Lease Payable

In November 2017, the District entered into a lease agreement for the purchase of a copier. Assets acquired under this lease totaled $9,400 and had a remaining basis of $3,760. The lease requires 60 monthly lease payments of $177 and bears interest at an imputed rated of 5% through November 2022. In the event of non-appropriation: through no action initiated by the lessee and the lessee's legislative body does not appropriate funds for the continuation of this agreement for any fiscal year after the first fiscal year and has no funds to do so from other sources; the District has made a reasonable but unsuccessful effort to find a creditworthy assignee acceptable to the lessor, in its sole discretion, with in general organization who can continue this agreement, this agreement may be terminated. The lessee must notify the lessor 30 days prior to the beginning of the fiscal year and must be accompanied by payment of all sums then owed through the current fiscal year under the agreement. Equipment will be delivered at the District's expense in good condition and free from of all liens and encumbrances. The District will then be released from any further payment obligations beyond those due for the current fiscal year with the lessor retaining all sums paid to date.

Changes in Long-Term Obligations

The following is a summary of changes in long term obligations of the District for December 31, 2020:

	Balance 12/31/19	Additions	Repayments	Balance 12/31/20	Current Portion	Interest Expense
2017 Copier Lease	$ 5,766	$	$ 1,883	$ 3,883	$ 1,979	$ 246
Accrued Compensated Absences	10,580	3,780		14,360		
Total Long-Term Liabilities	**$ 16,346**	**$ 3,780**	**$ 1,883**	**$ 18,243**	**$ 1,979**	**$ 246**

Payments on the outstanding long-term obligations will be due as follows:

Year	Payment
2021	$ 2,129
2022	1,951
Future minimum lease payments	4,080
Less: Interest at 5% (estimated)	(197)
Net present value of future payments	$ 3,883

NOTE 6: **FUND BALANCE RESERVATIONS/APPROPRIATIONS**

Emergency Reserve

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations, which apply to the State of Colorado, all local governments, and special districts.

The District's financial activity for the year ended December 31, 2020 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth. Subsequent to December 31, 2020, revenue in excess of the District's "spending limit" must be refunded unless voters approve the retention of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases, and new debt.

In November 1994, the District's electorate approved a ballot issue to permit the District to retain and spend all non-tax revenues in each fiscal year beginning 1995 without regards to the limitations of TABOR.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

The District has made the following fund balance reservation as a result of Article X, Section 20 (TABOR) of the Colorado Constitution:

Emergency Reserve

The Article requires an emergency reserve be set aside for 2020 in the amount of 3% or more of its fiscal year spending. At December 31, 2020, the District has reserved $51,000 in the General Fund for emergencies.

The District believes it is in compliance with the provisions of the TABOR Amendment.

NOTE 7: **RISK MANAGEMENT**

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

REQUIRED SUPPLEMENTARY Information
(Pension Schedules Unaudited)

CHAFFEE COUNTY FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION ASSET (LIABILITY)
FPPA Pension Plan
Last 10 Fiscal Years[1]

Fiscal Year	District's proportion of the net pension asset (liability)	District's proportionate share of the net pension asset (liability)	District's covered payroll	District's proportionate share of the net pension asset (liability) as a proportion of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2020	0.0341080%	$ 19,290	$ 251,388	7.67%	101.90%
12/31/2019	0.0350379%	$ (45,432)	$ 240,713	-18.87%	95.23%
12/31/2018	0.0364125%	$ 52,385	$ 212,988	24.60%	106.34%
12/31/2017	0.0380093%	$ (13,734)	$ 194,525	7.06%	98.21%
12/31/2016	0.0388636%	$ 685	$ 188,400	0.36%	100.10%
12/31/2015	0.0435038%	$ 49,097	$ 195,638	25.10%	106.83%
12/31/2014	0.0187317%	$ 16,303	$ 79,188	20.59%	105.83%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

[1] - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

CHAFFEE COUNTY FIRE PROTECTION DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
FPPA Pension Plan
Last 10 Fiscal Years[1]

Fiscal Year	Contractually required contributions	Actual contributions	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
12/31/2020	$ 20,111	$ 20,111	$ -	$ 251,388	8.00%
12/31/2019	$ 19,257	$ 19,257	$	$ 240,713	8.00%
12/31/2018	$ 17,039	$ 17,039	$ -	$ 212,988	8.00%
12/31/2017	$ 15,562	$ 15,562	$ -	$ 194,525	8.00%
12/31/2016	$ 15,072	$ 15,072	$	$ 188,400	8.00%
12/31/2015	$ 15,651	$ 15,651	$ -	$ 195,638	8.00%
12/31/2014	$ 6,335	$ 6,335	$	$ 79,188	8.00%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

[1] - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

CHAFFEE COUNTY FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
Volunteer Pension Plan
Last 10 Fiscal Years[1]

	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Total Pension Liability						
Service cost	$ 45,868	$ 45,868	$ 45,868	$ 91,139	$ 91,139	$ 91,139
Interest	150,405	145,046	153,353	28,167	119,115	167,225
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(129,875)	-	(147,431)	48,345	(33,526)	(107,394)
Changes of assumptions	-	-	(140,531)	-	-	-
Benefit payments	(170,171)	(172,356)	(153,330)	(166,348)	(164,282)	(153,692)
Net changes in total pension liability	(103,775)	22,558	(255,571)	1,305	12,446	2,278
Total Pension Liability - beginning	2,677,014	2,654,456	2,909,997	2,908,694	2,896,248	2,893,970
Total Pension Liability - ending (a)	$ 2,573,241	$ 2,677,014	$ 2,654,456	$ 2,909,997	$ 2,908,694	$ 2,896,248
Plan Fiduciary Net Position						
Contributions - employer	$ 123,272	$ 108,897	$ 108,070	$ 100,250	$ 101,312	$ 90,799
Contributions - state (discretionary)	11,357	11,357	11,357	11,357	11,357	11,357
Net investment income	147,284	269,578	(89,705)	149,415	58,100	(10,356)
Benefit payments	(170,171)	(172,356)	(153,330)	(166,348)	(164,282)	(153,692)
Administrative expense	(6,275)	(16,900)	(1,080)	(1,204)	(12,440)	(2,385)
Other						
Net change in plan fiduciary net position	105,467	230,576	(109,421)	126,370	24,436	(92,277)
Plan fiduciary net position - beginning	2,522,868	2,286,292	2,395,713	2,269,343	2,244,907	
Plan fiduciary net position - ending (b)	$ 2,628,335	$ 2,522,868	$ 2,286,292	$ 2,395,713	$ 2,269,343	$ 2,244,907
District's net pension liability (asset) - ending (a)-(b)	$ (55,094)	$ 154,146	$ 368,164	$ 514,284	$ 639,351	$ 651,341
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.14%	94.24%	86.15%	82.33%	78.02%	77.51%

Note: There were no factors that significantly affected trends in the amounts reported.

(1) - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report

CHAFFEE COUNTY FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S NET PENSION LIABILITY AND RELATED RATIOS
Volunteer Pension Plan
Last 10 Fiscal Years (1)

Fiscal Year Ended	Total Pension Liability	Plan's Fiduciary Net Position	Net Pension Liability	Plan's Fiduciary Net Position as Percent of Total Pension Liability	Covered Payroll	Net Pension Liability as a Percent of Covered Payroll
12/31/14	$ 2,893,970	$ 2,276,184	$ 617,786	78.65%	$	N/A
12/31/15	$ 2,896,248	$ 2,244,907	$ 651,341	77.51%	$ -	N/A
12/31/16	$ 2,908,694	$ 2,269,343	$ 639,351	78.02%	$	N/A
12/31/17	$ 2,909,997	$ 2,395,713	$ 514,284	82.33%	$ -	N/A
12/31/18	$ 2,654,456	$ 2,286,292	$ 368,164	86.13%	$ -	N/A
12/31/19	$ 2,677,014	$ 2,522,868	$ 154,146	94.24%	$	N/A
12/31/20	$ 2,573,241	$ 2,628,335	$ (55,094)	102.14%	$ -	N/A

Note: There were no factors that significantly affected trends in the amounts reported.

(1) - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

CHAFFEE COUNTY FIRE PROTECTION DISTRICT

SCHEDULE OF ACTUARIAL DETERMINED AND ACTUAL CONTRIBUTIONS
Volunteer Pension Plan
Last 10 Fiscal Years(1)

Fiscal Year Ended	Actuarially determined contributions	Actual contributions	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
12/31/2015	$ 141,242	$ 135,156	$ 6,086	$ -	N A
12/31/2016	$ 149,569	$ 142,695	$ 6,874	$ -	N A
12/31/2017	$ 149,569	$ 144,607	$ 4,962	$ -	N A
12/31/2018	$ 149,569	$ 149,397	$ 172	$ -	N A
12/31/2019	$ 81,395	$ 150,254	$ (68,859)	$ -	N A
12/31/2020	$ 81,395	$ 164,629	$ (83,234)	$ -	N A

Note: See Note 4 of the Basic Financial Statements for significant methods and assumptions used in calculating the actuarially determined calculations. There were no factors that significantly affected trends in the amounts reported.

(1) - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

Required Supplementary Information

CHAFFEE COUNTY FIRE PROTECTION DISTRICT
Budgetary Comparison Schedule
General Fund
Year Ended December 31, 2020
(With Comparative Totals for the Year Ended December 31, 2019)

	2020				
	Original Budget	Final Budget	Actual	Variance w/ Final Budget	2019 Actual
REVENUES					
Taxes					
Property Taxes	$ 1,087,834	$ 1,098,440	$ 973,957	$ (124,483)	$ 862,519
Specific Ownership Taxes			120,331	120,331	122,035
Delinquent Taxes, Penalties and Interest	-	-	2,062	2,062	2,044
Total Taxes	1,087,834	1,098,440	1,096,350	(2,090)	986,598
Intergovernmental					
Grants		34,000	34,000		2,100
State Matching Contribution	79,357	41,357	41,357	-	41,357
Impact Assistance	-	100	140	40	48,291
Total Intergovernmental	79,357	75,457	75,497	40	91,748
Charges for Services					
Rents	28,600	486,810	213,173	(273,637)	105,087
Special Services	-	-	260,810	260,810	152,453
Other Services					
Total Charges for Services	28,600	486,810	473,983	(12,827)	257,540
Investment Earnings	30,000	11,000	11,323	323	33,020
Other Revenues					
Donations	-	-	510	510	-
Insurance Claims	-	8,500	2,219	(6,281)	2,596
Sale of Capital Assets	-	-	11,000	11,000	1,350
Refunds and Reimbursements	15,000		6,176	6,176	2,658
Miscellaneous Income	-	-	1,359	1,359	820
Total Other Revenues	15,000	8,500	21,264	12,764	7,424
Total Revenues	1,240,791	1,680,207	1,678,417	(1,790)	1,376,330
EXPENDITURES					
Public Safety (Operations)					
Administration	229,801	209,206	132,803	76,403	138,182
Personnel Expenses	404,596	428,190	509,526	(81,336)	410,464
Professional Services	41,500	30,750	33,793	(3,043)	27,611
Utilities	42,835	40,885	39,922	963	38,957
Travel and Training	51,500	44,070	45,241	(1,171)	17,932
Maintenance and Repair	116,050	126,720	127,162	(442)	103,077
Firefighting and Equipment			987	(987)	1,224
Strike Team	1,000	171,662	175,743	(4,081)	82,063
Total Public Safety (Operations)	887,282	1,051,483	1,065,177	(13,694)	819,510
Pension Expenses	172,629	175,749	165,843	9,906	184,167
Capital Outlay	400,880	303,350	298,730	4,620	173,429
Total Expenditures	1,460,791	1,530,582	1,529,750	832	1,177,106
Change in Fund Balance	(250,000)	149,625	148,667	(958)	199,224
Fund Balance, Beginning	1,178,076	1,428,076	1,433,335	5,259	1,234,111
Fund Balance, Ending	$ 928,076	$ 1,577,701	$ 1,582,002	$ 4,301	$ 1,433,335

See the accompanying Independent Auditor's Report.

Other Supplementary Information

CHAFFEE COUNTY FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION

Budget and Actual - Pension Trust Fund

Year Ended December 31, 2020

(With Comparative Totals for the Year Ended December 31, 2019)

	2020				
	Original Budget	Final Budget	Actual	Variance w/ Final Budget	2019 Actual
ADDITIONS:					
Contributions					
State Matching Contribution	$ 41,357	$ 41,357	$ 41,357	$	$ 41,357
District Contributions	123,272	123,272	123,272	-	108,897
Investment Earnings	85,000	85,000	135,764	50,764	287,704
Total Additions	249,629	249,629	300,393	50,764	437,958
DEDUCTIONS:					
Pension Benefit Payments	176,000	176,000	170,171	5,829	172,356
Accounting	1,100	1,100	1,775	(675)	900
Actuarial Fees			4,500	(4,500)	10,000
Investment Fees	20,000	20,000	18,480	1,520	18,126
Total Deductions	197,100	197,100	194,926	2,174	201,382
Change in Fiduciary Net Position	52,529	52,529	105,467	52,938	236,576
Net Position, Beginning	2,462,546	2,462,546	2,522,868	60,322	2,286,292
Net Position, Ending	$ 2,515,075	$ 2,515,075	$ 2,628,335	$ 113,260	$ 2,522,868

See the accompanying Independent Auditor's Report.