

Durango Fire Protection District

Durango - Colorado

Annual Comprehensive Financial Report

TOWER 1

2021

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



For the year ending December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Year Ended December 31, 2021**

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INTRODUCTORY SECTION



July 29, 2022

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

State law requires that governmental entities publish within seven months of the close of each calendar year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Durango Fire Protection District for the fiscal year ended December 31, 2021.

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

The Durango Fire Protection District's financial statements have been audited by Haynie and Company, a firm of licensed, certified public accountants who regularly audit governmental entities in Colorado. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Durango Fire Protection District for the fiscal year ended December 31, 2021, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion and that Durango Fire Protection District's financial statements for the year ended December 31, 2021, are fairly presented in conformity with US GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

Profile of the Durango Fire Protection District

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

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



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

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

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

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

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

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

Factors Affecting Financial Condition

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

Local Economy

General: The Durango geographic area is located in the southwestern part of Colorado in the County of La Plata. La Plata County experienced considerable economic and population growth from the late 1980's to 2008, and like most of the United States, the years between 2009 and 2011 showed considerable financial declines and challenges over previously prosperous years. The years since 2011 have brought slow but steady growth with an increase of 7.2% in population and a 22.1% increase in per capita personal income from 2011 through 2017. At the end of 2021, the unemployment rate in La Plata County was 4.2%.

Durango is the largest town and the major shopping destination in La Plata County and is also home to Fort Lewis College, a four-year liberal arts college with a student body of approximately 3,800 and faculty and staff of 772. The City makes up a substantial portion of all activity in La Plata County. Interestingly, in the wake of the most intense period of the Covid Pandemic, LaPlata County property sales have actually increased, and the population is growing rather than shrinking, possible due to the mass migration of people out of the City Centers of the State.



City of Durango: In 2021, the contract with the City provided 33% of the total revenue of the District. The City continues to be optimistic about the future as City sales tax collections remained positive through 2021. Real estate values continue to rapidly increase within the City and days on the market are minimal for those properties. New construction has been strong in Durango with commercial construction being particularly strong. Housing prices and loans remain a challenge for low to moderate income families.

Durango Fire Protection District: In 2021, property taxes accounted for 31% of total revenue and, 17% of the property tax base was from oil and gas production. This is a decline from 2017 when oil and gas production made up 29% of the property tax base. The valuation on natural gas will continue to be subject to market fluctuations of revenue. Emergency medical services contributed 18% of revenues, fees for service contributed 7% and 11% was from all other sources.

History of Our Long-term Planning and Finances

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

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

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

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

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

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

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

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



Durango Fire Protection District
142 Sheppard Drive, Durango, CO

Phone: 970 382 6001
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In November of 2017, the electorate of the Durango Fire Protection District as well as the citizens of the City of Durango overwhelmingly voted to increase the mill rate for fire protection by 2.5 mills. The mill rate for the property owners in the District increased from 5.7 mills to 8.2 mills.

The result of the increase in mill rate allowed the District to plan for and budget capital replacements of both rolling stock and fire stations which were not previously attainable. In addition, in 2019 the City Council of Durango approved a Fire Impact Fee designed to fund needed capital projects and cause new growth in the community to assist in expanding fire and EMS resource availability as our community grows. In 2020 the District was able to complete the first addition and remodel of a fire station in the past 20 years with the new capital improvement funds. This project was followed directly by the construction of a new fire training facility which was completed in 2021 and the District purchased the 9-R Administration Building (201 E. 12th Street) from Durango School District 9-R with the intention of remodeling for fire administration and building a new downtown fire station on the site.

There will continue to be pressure on revenues as the residential assessment rate is estimated to diminish from 7.1 to a lower factor for property taxes collected in 2022 and the assessed valuations of oil and gas are expected to continue to decline. This decline may be partially offset by increases in market valuations and new construction, but the full result remains to be seen.

Awards and Acknowledgements:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Durango Fire & Rescue Authority for its comprehensive annual financial report for the fiscal years ended December 31, 2002 – 2006 then in 2010 – 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

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

Respectfully submitted,

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

Hal Doughty
Fire Chief
Durango Fire Protection District



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Durango Fire Protection District
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

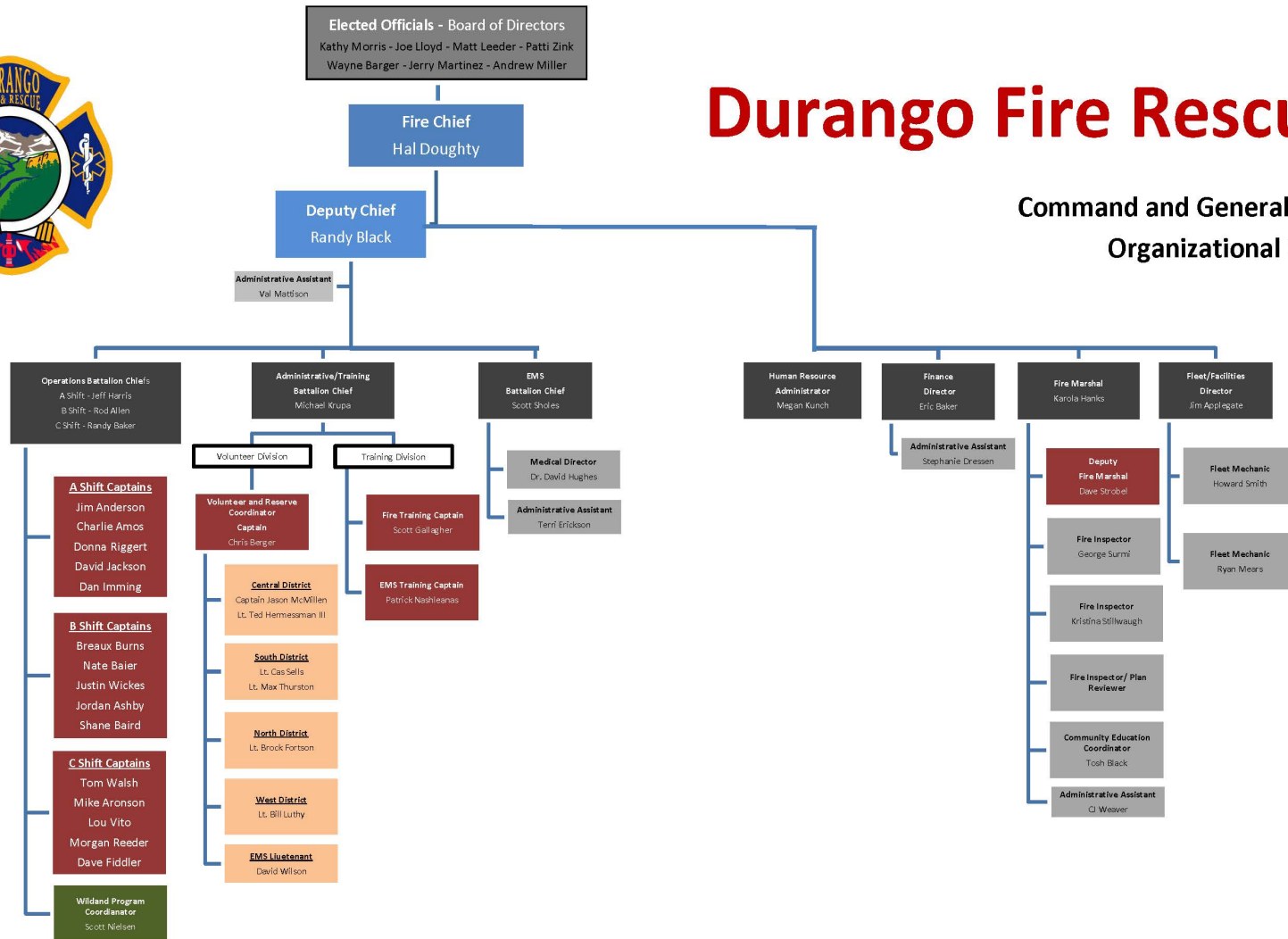
Christopher P. Morill

Executive Director/CEO



Durango Fire Rescue

Command and General Staff Organizational Chart 2020



DURANGO FIRE PROTECTION DISTRICT 2021 ELECTED OFFICIALS

DURANGO FIRE PROTECTION DISTRICT BOARD

Kathy Morris, Chairperson

Wayne Barger

John Dezendorf

Matt Leeder

Jerry Martinez

Lyle McKnight

Patti Zink

DURANGO FIRE PROTECTION PENSION BOARD

Kathy Morris, Chairperson

Wayne Barger

Jameson Bobbin

John Dezendorf

Matt Leeder

Bill Luthy

Jerry Martinez

Lyle McKnight

Patti Zink

OUR CONTRACTING PARTNER 2021 ELECTED OFFICIALS

CITY OF DURANGO

Kim Baxter , Mayor

Jessika Buell

Oliver Bosmans

Barbara Noseworthy

Melissa Youssef


FINANCIAL SECTION



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Board of Directors and Management
Durango Fire Protection District

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Durango Fire Protection District for the years ended December 31, 2021 and 2020 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Durango Fire Protection District, as of December 31, 2021 and 2020 for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Durango Fire Protection District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Durango Fire Protection District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Durango Fire Protection District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Durango Fire Protection District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

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

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise Durango Fire Protection District's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Sincerely,

Haynie & Company

Littleton, Colorado
July 29, 2022

As the financial management of the Durango Fire Protection District (the “District”), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2021. This discussion and analysis is designed to assist the reader in focusing on the significant accomplishments, financial issues and activities, and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of its fiscal year ended December 31, 2021 by \$23,386,001 (net position). Of this amount \$2,924,391 is unrestricted and may be used to meet the District’s ongoing obligations to citizens and creditors in accordance with the District’s fiscal policies as more fully described below.
- Total revenues for the year ended December 31, 2021 were \$15,939,670 compared to total revenue of \$15,705,961 in 2020.
- The Fund Balance decreased by a total of \$3,746,859 during 2021 and was \$4,805,120 as of December 31, 2021.

Overview of the Financial Statements

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

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

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

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

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

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state

and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District currently has two funds, the General Fund which is a governmental fund and the Capital Projects Fund which is also a governmental fund.

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

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

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

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

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

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 through 49 of this report.

Required Supplemental Information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information. These statements can be found on pages 50 through 53 of this report.

Other information: Also, this report presents certain information pertaining to the District's budget for demonstrating legal compliance with budgetary control obligations. This budgetary information can be found on pages 26 and 54 of this report.

Financial Analysis

Statement of net position: Net position, the excess of assets over liabilities, may serve, over time, as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$23,236,011 at the close of the most recent fiscal year. The overall net position increased by \$2,269,241 (10.8%). Net investment in capital assets increased from \$14,292,450 at December 31, 2020 to \$19,834,968 at December 31, 2021. This involved additions in capital assets of \$6,585,201, depreciation expense of \$1,042,683, and disposals of \$164,575. This investment in capital assets during 2021 was another significant investment in capital and is part of its long-term capital replacement plan.

Unrestricted net position decreased from \$6,132,173 at December 31, 2020 to \$2,774,401 at December 31, 2021. This was a result of the District purchasing property located at 201 E. 12th Street from the Durango School District 9-R with the intention of remodeling the 9-R Administration building for Fire District Administration and building a replacement for the downtown Station 2. This purchase was paid for from fund balances which reduced the unrestricted net position and increased the net investment in capital. Restricted net position increased from \$542,148 at December 31, 2020 to \$626,642 at December 31, 2021. The restricted net position, of \$626,642 is restricted for emergency reserves.

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

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

	<u>2021</u>	<u>2020</u>
Current assets	\$ 10,137,603	\$ 13,892,959
Capital assets	19,834,968	14,292,450
Net pension assets	<u>1,407,529</u>	<u>-</u>
Total assets	31,380,100	28,185,409
Deferred outflow of resources	3,246,981	3,380,666
Total assets and deferred outflow of resources	34,627,081	31,566,075
Current liabilities	755,197	720,952
Noncurrent liabilities	<u>2,281,520</u>	<u>2,858,940</u>
Total liabilities	3,036,717	3,579,892
Deferred inflow of resources	8,354,353	7,019,413
Net position		
Investment in capital assets	19,834,968	14,292,450
Restricted	626,642	542,148
Unrestricted	<u>2,774,401</u>	<u>6,132,172</u>
Total net position	<u>\$ 23,236,011</u>	<u>\$ 20,966,770</u>

Statement of activities: The statement of activities reflects the cost of operation and the charges for services and receipt of grants offsetting those services. The statement of activities for 2021 shows expenses of \$13,670,429 with a net expense (after charges for services and grants) of \$8,822,124. Total general revenues were \$11,091,365, leaving a change in net position of \$2,269,241.

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

	<u>2021</u>	<u>2020</u>
General Revenue:		
Property taxes	4,968,122	4,782,739
Specific ownership taxes	1,079,122	969,300
Contract with City of Durango	4,912,436	4,875,754
Other local taxes	29,931	44,123
Interest	499	119,254
Charges for services	3,950,523	4,223,601
Grants and contributions	897,782	615,617
Other	<u>101,255</u>	<u>75,573</u>
Total Revenue	15,939,670	15,705,961
Expenses:		
Public safety	<u>13,670,429</u>	<u>12,862,157</u>
Total Expenses	13,670,429	12,862,157
Changes in Net Position	2,269,241	2,843,804
Net Position - Beginning of Year	<u>20,966,770</u>	<u>18,122,967</u>
Net Position - End of Year	<u>23,236,011</u>	<u>20,966,771</u>

Statement of revenues, expenditures, and changes in fund balance: In fiscal year 2021, the District had a deficiency of revenues over expenditures of \$3,756,759 before other financing sources and uses compared to a deficiency of \$507,172 in 2020. This was made up of an excess of revenues over expenditures of \$2,029,938 in the general fund and a deficiency of \$5,786,697 in the Capital Projects Fund.

After a transfer of \$3,200,000 to the Capital Projects Fund, the General Fund had a decrease of \$1,170,062. This was due to a transfer of \$3,200,00 to the Capital Projects Fund which was \$2,000,000 more than originally budgeted.

In 2021, Wildland fire fees were \$1,079,642 compared to \$978,521 in 2020. This revenue is from a cooperative agreement between the District and the State of Colorado where the District provides personnel and equipment to assist on national wildland fire incidents. The District receives reimbursement for the cost of the personnel including benefits and other expenses incurred plus a small amount toward overhead of around 5%. In addition, the District receives a daily fee for the use of equipment.

The Capital Projects fund had a negative change in fund balance of \$2,576,797 after other financing sources and uses due to capital expenditures of \$6,585,201. These capital expenditures were part of a plan to spend down the fund balance making needed replacements of rolling stock that was in excess of 20 years old and also investing in fire stations. These capital replacements will continue into 2022.

Material Changes

After 2010, there was a loss in general property tax revenue, primarily due to the drop in oil and gas production and prices but exacerbated by the drop in the residential tax rate from 7.96% to 7.2%. The increased value of property in La Plata County was able to compensate for some of these losses. On November 7, 2017, the voters of the District agreed to increase the mill levy for the District by 2.5 mills from 5.7 mills to 8.2 mills. The intention of the increase was to compensate for the loss in property tax revenue, to allow the District to cover current operating expenses, to allow room for increased fire personnel, and to allow the District additional revenue for capital replacement of aging equipment and facilities. Property tax revenue increased from \$4,782,739 in 2020 to \$4,968,121 in 2021. The revenue from the contract for fire protection services with the City also increased from \$4,875,754 in 2020 to \$4,912,436 in 2021.

Capital Assets and Long-term Debt

Capital Assets. The District's net investment in capital assets as of December 31, 2021 is \$19,834,968. This is an increase of \$5,542,518 (38.8%) from December 31, 2020. The increase is due to major capital additions including finishing construction on a Training Tower and purchase of property for a new downtown station. Major capital asset events during the current fiscal year included the following:

- (1) Draft Commander pump trailer
- (1) Dodge Life Line Ambulances
- Station 1 alerting system
- (45) Scott SCBA regulators
- Purchase of 9-R Admin Building (201 E. 12th Street)
- Construction on Training Tower

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

Long Term Debt: As of December 31, 2021 and 2020 the District had no long-term debt.

Budget Analysis

Actual expenditures were \$68,054 below budgeted for the General Fund and \$209,365 below budgeted for the Capital Projects Fund keeping the District in compliance with State law.

Requests for Information

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

DURANGO FIRE PROTECTION DISTRICT
Basic Financial Statements
Year Ended December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
December 31, 2021**

	Governmental Activities
Current Assets	
Cash	\$ 744,586
Investments - ColoTrust	1,195,759
Investments - CDs	2,058,965
Receivables:	
Due from County Treasurer	45,083
Property taxes receivable	4,970,956
Ambulance receivables, net	669,466
Intergovernmental receivables	341,711
Other receivables	111,077
Total current assets	10,137,603
Noncurrent Assets	
Capital Assets	
Construction in progress	43,312
Non-depreciable assets - Building	5,000,693
Land	1,226,106
Vehicles	12,432,547
Equipment	4,491,842
Building	11,016,434
Accumulated depreciation	(14,375,966)
Capital assets, net	19,834,968
Net pension assets	1,407,529
Total noncurrent assets	21,242,497
Total assets	31,380,100
Deferred Outflows of Resources	
Deferred outflows related to pension	3,226,214
Deferred outflows related to OPEB	20,767
Total deferred outflows of resources	3,246,981
Total assets and deferred outflows of resources	\$ 34,627,081
Current Liabilities	
Accounts payable	\$ 118,976
Accrued payroll	167,491
Accrued compensated balances	393,670
Incurred but unreported claims	-
Other liabilities	75,060
Total current liabilities	755,197
Noncurrent Liabilities	
Net pension liability	1,750,902
Net OPEB liability	136,948
Accrued compensated balances	393,670
Total noncurrent liabilities	2,281,520
Total liabilities	3,036,717
Deferred Inflows of Resources	
Deferred property tax revenue	4,970,956
Deferred inflows related to pension	3,304,873
Deferred inflows related to OPEB	78,524
Total deferred inflows of resources	8,354,353
Net Position	
Investment in capital assets	19,834,968
Restricted for:	
TABOR Amendment	626,642
Unrestricted	2,774,401
Total net position	23,236,011
Total Liabilities Deferred outflows of resources and Net Position	\$ 34,627,081

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT
Basic Financial Statements
Year Ended December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS BALANCE SHEET
December 31, 2021**

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 744,586	\$ -	\$ 744,586
Investments - ColoTrust	905,410	290,349	\$ 1,195,759
Investments - CDs	2,058,965	-	\$ 2,058,965
Receivables:			
Due from County Treasurer	45,083	-	\$ 45,083
Property taxes receivable	4,970,956	-	\$ 4,970,956
Ambulance receivables, net	669,466	-	\$ 669,466
Intergovernmental receivables	341,711	-	\$ 341,711
Due from Capital Projects Fund	36,708	-	\$ 36,708
Other receivables	111,077	-	\$ 111,077
Total assets	\$ 9,883,962	\$ 290,349	\$ 10,174,311
Liabilities			
Accounts payable	\$ 118,976	\$ -	\$ 118,976
Accrued payroll	167,491	-	\$ 167,491
Incurred but unreported claims	-	-	\$ -
Payable to General Fund	-	36,708	\$ 36,708
Other liabilities	75,060	-	\$ 75,060
Total liabilities	361,527	36,708	398,235
Deferred Inflows of Resources			
Deferred property tax revenue	4,970,956	-	\$ 4,970,956
Total deferred inflow of resources	4,970,956	-	4,970,956
Fund Equity			
Restricted for:			
Emergency reserves	624,642	-	\$ 624,642
Committed for:			
Capital projects	200,000	253,641	\$ 453,641
Unassigned	3,726,837	-	\$ 3,726,837
Total fund equity	4,551,479	253,641	4,805,120
Total Liabilities, Deferred Inflows of Resources and Fund Equity	\$ 9,883,962	\$ 290,349	\$ 10,174,311

See accompanying notes

DURANGO FIRE PROTECTION DISTRICT
 Basic Financial Statements
 Year Ended December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
 WITH THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
 December 31, 2021**

Fund Balances - Total Governmental Funds \$ 4,805,120

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

Governmental capital assets	34,210,934	
Less accumulated depreciation	<u>(14,375,966)</u>	19,834,968

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

Deferred outflows related to pension	3,226,214	
Deferred outflows related to OPEB	20,767	
Deferred inflows related to pension	(3,304,873)	
Deferred inflows related to OPEB	(78,524)	

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

Net pension liability	(343,373)	
Net OPEB liability	(136,948)	
Compensated absences	(787,340)	

Net position of governmental activities \$ 23,236,011

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT
Basic Financial Statements
Year Ended December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021**

	General Fund	Capital Projects Fund	Total
Revenues			
Property taxes	\$ 4,968,121	\$ -	\$ 4,968,121
Specific ownership taxes	1,079,122	-	1,079,122
Contract with City of Durango	4,912,436	-	4,912,436
Other local taxes	29,931	-	29,931
Other revenues			
Ambulance income, net	2,804,212		2,804,212
Fees for services	1,146,311	-	1,146,311
Impact Fees	-	383,988	383,988
Grants	115,457	116,385	231,842
City of Durango contribution for capital	-	272,052	272,052
Interest Income	(1,014)	1,513	499
Miscellaneous income	101,255	-	101,255
Total revenues	15,155,831	773,938	15,929,769
Expenditures			
General government			
Fire administration	1,712,965	-	1,712,965
Fire fighting	5,346,772	-	5,346,772
Fire prevention	658,075	-	658,075
Fire training	544,503	-	544,503
Fire communications	176,947	-	176,947
Fire repair services	551,323	-	551,323
Emergency medical services	3,872,087	-	3,872,087
Stations and buildings	238,656	-	238,656
Capital outlay	24,565	6,560,635	6,585,200
Contingency	-	-	-
Total Expenditures	13,125,893	6,560,635	19,686,528
Excess (deficiency) of revenues over (under) expenditures	2,029,938	(5,786,697)	(3,756,759)
Other financing sources and (uses)			
Transfers in (out)	(3,200,000)	3,200,000	-
Sale of assets	-	9,900	9,900
Total other financing sources and (uses)	(3,200,000)	3,209,900	9,900
Net Change in fund balance	(1,170,062)	(2,576,797)	(3,746,859)
Fund balance - Beginning of Year	5,721,541	2,830,438	8,551,979
Fund balance - End of Year	\$ 4,551,479	\$ 253,641	\$ 4,805,120

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT
 Basic Financial Statements
 Year Ended December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Year Ended December 31, 2021**

Net change in fund balance - total governmental funds \$ (3,746,858)

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

Capital outlays and disposals, net	6,585,201
Depreciation expense	(1,042,683)

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

Current year pension and OPEB contributions	979,984
Net Pension and OPEB income/expense	(491,931)

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

Liability at December 31, 2021	(787,340)
Liability at December 31, 2020	<u>772,868</u>
Change in liability	(14,472)

Change in net position of governmental activities \$ 2,269,241

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT
Basic Financial Statements
Year Ended December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Property taxes	\$ 5,006,462	\$ 5,006,462	\$ 4,968,121	\$ (38,341)
Specific ownership taxes	920,000	920,000	1,079,122	159,122
Contract with City of Durango	4,921,851	4,921,851	4,912,436	(9,415)
Other local taxes	45,000	45,000	29,931	(15,069)
Other revenues				-
Ambulance income	5,050,000	6,250,000	6,361,877	111,877
Fees for services	576,000	1,076,000	1,146,311	70,311
Grants	6,000	6,000	115,457	109,457
Interest	45,000	45,000	(1,014)	(46,014)
Miscellaneous income	40,500	40,500	101,255	60,755
Total revenues	<u>16,610,813</u>	<u>18,310,813</u>	<u>18,713,496</u>	<u>402,683</u>
Expenditures				
General government				
Fire administration	1,819,787	1,819,787	1,712,965	106,822
Fire fighting	4,870,550	5,370,550	5,346,772	23,778
Fire prevention	634,750	634,750	658,075	(23,325)
Fire training	584,825	584,825	544,503	40,322
Fire communications	166,600	166,600	176,947	(10,347)
Fire repair services	531,800	531,800	551,323	(19,523)
Emergency medical services	6,000,300	7,200,300	7,429,752	(229,452)
Stations and buildings	243,000	243,000	238,656	4,344
Capital outlay	-	-	24,565	(24,565)
Contingency	200,000	200,000	-	200,000
Transfer to capital projects fund	1,200,000	3,200,000	3,200,000	-
Total Expenditures	<u>16,251,612</u>	<u>19,951,612</u>	<u>19,883,558</u>	<u>68,054</u>
Excess of revenues over (under) expenditures	<u>359,201</u>	<u>(1,640,799)</u>	<u>(1,170,062)</u>	<u>470,737</u>
Net change in fund balance	<u>359,201</u>	<u>(1,640,799)</u>	<u>(1,170,062)</u>	<u>470,737</u>
Fund balance - Beginning of Year			5,721,541	
Fund balance - End of Year			<u>\$ 4,551,479</u>	

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

Note 1 - Summary of significant accounting policies

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

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

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

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

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

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

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

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

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

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

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

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – The District, prepares its government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Accordingly, the requirements of Statement of Governmental Accounting Standards No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus – an amendment of GASB Statements No. 21 and No. 34 and No. 38, Certain Financial Statement Note Disclosures have been implemented and incorporated in the District’s financial statement presentation.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes and intergovernmental revenues associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

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

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

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

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

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

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

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

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

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

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

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

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

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

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

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

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

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

Investments for the Authority are reported at fair value.

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

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

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

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

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

may not be in excess of available revenues and beginning fund balance. The Board of Directors made four additional appropriations in 2021.

The budget is adopted on the modified accrual basis of accounting.

Appropriations lapse at the end of the year.

New Accounting Pronouncements

The GASB has issued Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period" this new Statement does not have a material effect on the District as of 2021. Also issued was Implementation Guide No. 2019-1, "Implementation Guidance Update -2019." The District is in compliance with this guidance.

Note 2 – Deposits and Investment

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

Federal Deposit Insurance Corporation coverage for government accounts is \$250,000 per official custodian. At December 31, 2020, the District's cash deposits had a book balance of \$200,367 and a corresponding bank balance of \$316,618. The difference between the book and bank balances is due to outstanding checks and deposits not yet processed by the banks. Of the bank balance, \$250,000 was covered by federal depository insurance. The remainder of the bank balance, \$0, was collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by PDPA.

Investments – At December 31, 2021 the District had investments of \$6,636,049 in the Mark Carroll Pension Fund held by the Members Benefit Investment Fund of the Fire and Police Pension Association of Colorado, an external investment pool. The Colorado Division of Securities administers and enforces the requirements creating and operating FPPA. At December 31, 2020 the District had investments in a Colotrust Plus+ pool of \$1,195,759 held by Colotrust of Colorado an external investment pool. The Colorado Division of Securities administers and enforces the requirements creating and operating Colotrust. The reported value of these pools is the same as the fair value of the pools shares and is measured at the net asset value. Credit risk and interest risk information is not available for the FPPA Members Benefit Investment Fund external investment pool. The Colotrust Plus+ is rated AAAM by Standard and Poor with an average maturity of 35 days.

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

Investment	Less than 1 yr	1 - 5 years	Total	% Portfolio
Certificates of Deposit	\$ -	\$ 2,058,965.00	\$ 2,058,965.00	100%

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

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

Note 3 – Due From Governmental Agencies

Due from governmental agencies consists of the following:

	2021
National Wildland Fires	\$ 206,447
City of Durango - SOT Calculation	135,264
Totals	\$ 341,711

Note 4 – Capital Assets

Capital assets are summarized as follows:

	January 1, 2021	Additions	Retirements	December 31, 2021
Vehicles	\$ 12,369,264	\$ 227,858	\$ (164,575)	\$ 12,432,547
Equipment	3,798,765	693,077	-	4,491,842
Buildings and leasehold improvements	8,913,210	2,103,224	-	11,016,434
Land	1,226,106	-	-	1,226,106
Non-depreciable assets				
Construction in progress	1,482,963	1,165,440	(2,605,091)	43,312
Non-depreciable assets - Building	-	5,000,693	-	5,000,693
	27,790,308	9,190,292	(2,769,666)	34,210,934
Accumulated depreciation				
Vehicles	(7,934,432)	(563,871)	164,575	(8,333,728)
Equipment	(2,411,169)	(231,560)	-	(2,642,729)
Buildings and leasehold improvements	(3,152,257)	(247,252)	-	(3,399,509)

The District utilizes a capitalization threshold of \$5,000. In late 2021, the District purchased real property located at 201 E. 12th Street from the Durango School District 9-R with the intention of remodeling the 9-R Administration building for Fire District Administration and building a replacement for the downtown Station 2. As this property was purchased with the intention of performing a major remodel of one of the existing buildings as well as tearing down the other building and replacing it with a new fire station, this asset was not depreciated in 2021.

Note 5 – Pensions

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
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	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Volunteer Plan	0	\$ 707,340	\$ 399,324	\$ 687,698
FPPA Plan	1,407,529	0	2,273,451	1,485,697
PERA Plan	0	1,043,562	553,439	1,131,478

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

As of December 31, 2020, the deferred inflows and outflows of resources resulting from all pension plans are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 162,589
Difference between actual and expected experience	1,247,186
Changes in assumptions	855,835
Changes in proportionate share	0
Contributions received after measurement date	<u>960,604</u>
Total deferred outflows of resources	<u>\$ 3,226,214</u>

Deferred inflows of resources:	
Difference between actual and expected experience	\$ 155,588
Difference between actual and expected earnings	3,111,997
Changes in proportionate share	<u>37,288</u>
Total deferred inflows of resources	<u>\$ 3,304,873</u>

Deferred outflows of resources of \$960,604, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

2021	\$ (520,988)
2022	(213,492)
2023	(739,963)
2024	(228,395)
2025	258,893
Thereafter	<u>404,686</u>
Total	<u>\$ (1,039,262)</u>

The total pension plan income for 2021 was \$466,810.

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Volunteer Plan

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

The benefit provisions and plan requirements were established by Colorado Revised Statutes and the Board of Trustees has adopted the following schedule of monthly benefits which was in effect at December 31, 2021:

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

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

Total covered payroll for this plan for 2021 was \$-0-. In 2021, the District contributions were \$228,723 towards meeting the unfunded liability. In addition, the State contribution was \$77,104.

An actuarial valuation is performed every two years to determine the pension benefit obligation. The latest available actuarial valuation was performed as of January 1, 2021. The measurement date was December 31, 2020. The following assumptions were used in computing the pension benefit obligation for this plan:

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

Plan membership as of January 1, 2021 was as follows:

Active members	35
Retirees and beneficiaries	90
Inactive, non-retired members	<u>78</u>
Total	132

As of December 31, 2021, the deferred inflows and outflows of resources resulting from the Volunteer Pension plan are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ 162,589
Difference between actual and expected experience	3,008
Changes in assumptions	5,004
Changes in proportionate share	-
Contributions received after measurement date	<u>228,723</u>
Total deferred outflows of resources	<u>\$ 399,324</u>

DURANGO FIRE PROTECTION DISTRICT
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Deferred inflows of resources:	
Difference between actual and expected experience	\$ 149,990
Difference between actual and expected earnings	537,708
Changes in proportionate share	<u>-</u>
Total deferred inflows of resources	<u>\$ 687,698</u>

Deferred outflows of resources of \$228,723, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

2022	\$ (211,018)
2023	(110,151)
2024	(135,361)
2025	(60,567)
2026	-
Thereafter	<u>-</u>
Total	<u>\$ (517,097)</u>

The Volunteer pension plan income for 2021 was \$98,343. The net pension liability is impacted by a change in the discount rate as follows:

	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
Net pension liability	<u>\$ 1,395,569</u>	<u>\$ 707,340</u>	<u>\$ 127,679</u>

DURANGO FIRE PROTECTION DISTRICT
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Changes in Net Pension Liability for the measurement period ended December 31, 2020:

Service cost	\$ 104,484
Interest	471,909
Difference between expected and actual experience	(243,893)
Changes of assumptions	-
Benefit payments	<u>(552,242)</u>
Net change in total pension liability	(219,742)
Total pension liability - beginning	<u>6,961,653</u>
Total pension liability - ending (a)	<u>6,741,911</u>

Total Fiduciary Net Position:

Contributions - employer	\$ 222,215
Net investment income	688,358
Benefit payments	(552,242)
Administrative expense	(25,690)
State of Colorado supplemental discretionary payment	<u>38,552</u>
Net change in plan fiduciary net position	\$ 371,193
Plan fiduciary net position - beginning	<u>5,663,378</u>
Plan fiduciary net position - ending (b)	<u>\$ 6,034,571</u>
Net pension liability/(asset) - ending (a) - (b)	<u>\$ 707,340</u>
Plan fiduciary net position as a percentage of total pension liability	89.51%

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	39%	8.23%
Private Markets	26%	10.63%
Absolute Return	10%	5.60%
Fixed Income - Rates	10%	4.01%
Long Short	8%	6.87%
Fixed Income - Credit	5%	5.25%
Cash	2%	2.32%
Total	<u>100%</u>	

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"Old Hire" Employee Plan

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

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

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

Paid Fire Personnel Plan

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

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

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

Covered employees are required by State statute to contribute 11.5% of their salary (excluding paid overtime and comp time) to the plan. The District is required to contribute an additional or matching 8.5% of covered salary. For the year ended December 31, 2021, covered employees contributed \$650,880 on a base salary of \$5,659,826. The District contributed an additional \$481,085 to the plan on covered employees' behalf.

The following is based on an actuarial study completed as of January 1, 2020. The measurement date is December 31, 2020. The following assumptions were used in computing the pension benefit obligation for

DURANGO FIRE PROTECTION DISTRICT
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this plan:

- Rate of return on investments and discount rate: 7.0%
- Actuarial Method: Entry Age Normal
- Amortization Method: Level % of payroll, open
- Amortization period: 30 years
- Mortality: RP-2014 Mortality Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years
- Projected salary increases: 4.25%-11.25%
- Inflation: 2.5%

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

As of December 31, 2021, the deferred inflows and outflows of resources resulting from the SWDB plan are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ -
Difference between actual and expected experience	1,193,723
Changes in assumptions	598,643
Changes in proportionate share	-
Contributions received after measurement date	<u>481,085</u>
Total deferred outflows of resources	<u>\$ 2,273,451</u>
Deferred inflows of resources:	
Difference between actual and expected experience	\$ 5,598
Difference between actual and expected earnings	1,445,734
Changes in proportionate share	<u>34,365</u>
Total deferred inflows of resources	<u>\$ 1,485,697</u>

Deferred outflows of resources of \$481,085, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

DURANGO FIRE PROTECTION DISTRICT
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2022	\$ (166,335)
2023	21,185
2024	(222,043)
2025	10,283
2026	258,893
Thereafter	<u>404,686</u>
Total	<u>\$ 306,669</u>

The employer share of net pension liability as of the measurement period ended December 31, 2020 was (\$1,407,529). The employer proportion was 0.65% based on Employer Contributions, slightly lower than what it was the prior year. The SWDB pension income for the period ending December 31, 2021 was \$107,385.

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

	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
Net pension liability (asset)	\$ 1,416,457	\$ (1,407,529)	\$ (3,746,141)

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, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	39.0%	8.23%
Equity Long/Short	8.0%	6.87%
Private Markets	26.0%	10.63%
Fixed Income - Rates	10.0%	4.01%
Fixed Income - Credit	5.0%	5.25%
Absolute Return	10.0%	5.60%
Cash	2.0%	2.32%
Total	100.0%	

Administrative Personnel Plan

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

The financial statements of the Statewide Defined Benefit Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The

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Plan investments are presented at fair value except for short-term investments, which are recorded at cost and approximate fair value.

Covered employees are required by State statute to contribute 8.5% of their salary (excluding paid overtime and comp time) to the plan. The District contributes an additional or matching 13.18% of covered salary. For the year ended December 31, 2021, covered employees contributed \$161,503 on a base salary of \$1,900,035. The District contributed an additional \$250,796 to the plan on covered employee's behalf.

The collective total pension liability is based upon the December 31, 2019, actuarial valuation, and generally accepted actuarial techniques were applied to roll forward the collective total pension liability to December 31, 2020. The roll forward calculation includes actual benefits, refunds and disability premiums paid for the plan year, interest on the total pension liability, the annual normal cost (also called service cost), changes of benefit terms, differences between expected and actual experience at the end of year, and changes of assumptions or other inputs.

- Rate of return on investments and discount rate: 7.25%
- Actuarial Method: Entry Age
- Price inflation: 2.4%
- Real wage growth: 1.1%
- Wage inflation: 3.5%
- Salary increases: 3.5%-10.45%
- Post-retirement benefit increases:
PERA benefit structure hired prior to 1/1/07
(compounded annually) 1.25%
PERA benefit structure hired after 12/31/06. Financed
by the Annual Increase Reserve (AIR)

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

As of December 31, 2021, the deferred inflows and outflows of resources resulting from all pension plans are comprised as follows:

Deferred outflows of resources:	
Difference between actual and projected investment earnings	\$ -
Difference between actual and expected experience	50,455
Changes in assumptions	252,188
Changes in proportionate share	-
Contributions received after measurement date	<u>250,796</u>
Total deferred outflows of resources	<u>\$ 553,439</u>

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Deferred inflows of resources:	
Difference between actual and expected experience	\$ 1,128,555
Difference between actual and expected earnings	-
Changes in proportionate share	<u>2,923</u>
Total deferred inflows of resources	<u>\$ 1,131,478</u>

Deferred outflows of resources of \$250,796, related to contributions subsequent to the measurement date, will reduce the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

2022	\$ (143,635)
2023	(124,529)
2024	(382,559)
2025	(178,111)
2026	-
Thereafter	<u>-</u>
Total	<u>\$ (828,834)</u>

The employer share of net pension liability as of the measurement period ended December 31, 2020 was \$1,043,562. The employer proportion was 0.20% based on Employer Contributions, an increase from the prior year, when the proportion was 0.19%. The pension income for the period ended December 31, 2021 was \$261,082.

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

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	<u>\$ 2,403,951</u>	<u>\$ 1,043,562</u>	<u>\$ 92,186</u>

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. Several factors were considered in evaluating the long-term rate of return assumption for the Trust Fund, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the November 18, 2016, adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note 6 – Other Post-Employment Benefits

Summary of Significant Accounting Policies OPEB

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

General Information about the OPEB Plan

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

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

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

DURANGO FIRE PROTECTION DISTRICT
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during an open enrollment period.

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and Durango Fire Protection District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Durango Fire Protection District were \$19,380 for the year ended 21.

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

At December 31, 2021, Durango Fire Protection District reported a liability of \$24,027 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019.

Durango Fire Protection District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF. At December 31, 2020, the District's proportion was 0.014 percent. For the year ended December 31, 2020, Durango Fire Protection District recognized OPEB expense of \$(20,882). At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

DURANGO FIRE PROTECTION DISTRICT
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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 364	\$ 30,108
Changes of assumptions or other inputs	1,023	8,397
Net difference between projected and actual earnings on plan investments	-	5,596
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	34,423
Contributions subsequent to the measurement date	<u>19,380</u>	<u>-</u>
Total	<u>\$ 20,767</u>	<u>\$ 78,524</u>

\$19,380 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2022	\$ (16,637)
2023	(15,854)
2024	(16,882)
2025	(16,592)
2026	(10,715)
Thereafter	<u>(458)</u>
Total	<u>\$ (77,137)</u>

Actuarial assumptions. The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB	
plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent

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PERACare Medicare plans	8.10 percent in 2020, gradually decreasing to 4.50 percent in 2029
Medicare Part A premiums	3.50 percent in 2020, gradually increasing to 4.50 percent in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point. Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A. Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

the HCTF.

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

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

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the “No Part A Subsidy” when they retire were revised to more closely reflect actual experience.
- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.
-

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

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

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Core Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	<u>6.00%</u>	4.70%
Total	100.00%	

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$1,088,500	\$950,225,000	\$832,080,000

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$157	\$136,948	\$119,921

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

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

Note 7 – Risk Management

Property, Casualty and Worker Compensation Insurance - The District is exposed to various risks of loss related to: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

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

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

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

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

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

Note 8 – EMS Accounts Receivable

Revenues for emergency medical services are reported net of allowances and uncollectible amounts. The uncollectible amounts for the year ended December 31, 2021 were \$2,518,811 on total charges of \$5,359,977. At December 31, 2020 the allowance for uncollectibles was \$225,693 on total gross receivables of \$895,159.

Note 9 – Net Position

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2021

Committed net position – The development agreements that allow the District to collect impact fees from several subdivisions require that these funds be restricted for capital expenditures. In addition, the contract for fire and emergency services with the City of Durango requires that the annual capital contribution from the City be used to build a new downtown fire station. The balance of committed net position as of December 31, 2021 is \$453,641 which includes \$200,000 committed to improvements on Station 5, , and \$253,641 which to Board committed to capital projects. Through December 31, 2021, the City of Durango had mad capital contributions to the District in the amount of \$2,176,416 of which 75% was committed to building a new downtown station (Station 2). With the purchase of the Durango School District 9-R property at 201 E. 12th Street in Durango for a potential new Station 2, the District has relieved that commitment.

Note 10 – Compensated Absences

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

	Balance			Balance	
	December 31, 2020	Increases	Decreases	December 31, 2021	Due in one year
Accrued vacation	697,944	365,235	360,068	703,111	351,556
Accrued sick leave	74,924	232,435	223,130	84,229	42,115
	<u>772,868</u>	<u>597,670</u>	<u>583,198</u>	<u>787,340</u>	<u>393,670</u>

Note 12 – TABOR Amendment

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

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

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

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

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2021

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

Measurement period ending December 31,	2020	2019	2018	2017	2016	2015	2014	2012	2011	2010
Proportion of the Net Pension Liability	0.200%	0.191%	0.227%	0.224%	0.204%	0.212%	0.188%			
Proportionate Share of the Net Pension Liability (Asset)	\$ 1,043,562	\$ 1,393,054	\$ 2,857,247	\$ 2,496,304	\$ 2,760,940	\$ 2,330,363	\$ 866,693			
Actual Covered Member Payroll	\$ 1,603,383	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424	\$ 1,028,887			
Net Pension Liability as a Percentage of Covered Payroll	65.09%	106.32%	192.01%	176.23%	222.78%	193.97%	84.24%			
Fiduciary Net Position as a Percentage of Total Pension Liability	90.88%	86.26%	75.96%	79.37%	73.60%	76.90%	80.72%			

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

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

Fiscal period ending December 31,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	\$ 250,796	\$ 203,309	\$ 166,133	\$ 188,685	\$ 179,613	\$ 157,143	\$ 152,340	\$ 130,463	\$ 150,534	\$ 146,022
Actual Contribution	\$ 250,796	\$ 203,309	\$ 166,133	\$ 188,685	\$ 179,613	\$ 157,143	\$ 152,340	\$ 130,463	\$ 150,534	\$ 146,022
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 1,900,035	\$ 1,603,383	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424	\$ 1,028,887	1,187,179	1,151,594
Actual Contribution as a % of Covered Payroll	13.20%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

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

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2021

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

Measurement period ending December 31,	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Proportion of the Net Pension Liability	0.648%	0.672%	0.649%	0.647%	0.717%	0.702%	0.768%			
Proportionate Share of the Net Pension Liability (Asset)	\$ (1,407,529)	\$ (379,798)	\$ 820,278	\$ (931,206)	\$ 259,107	\$ (12,376)	\$ (866,693)			
Actual Covered Member Payroll	\$ 5,207,450	\$ 5,367,613	\$ 4,346,125	\$ 3,786,100	\$ 3,669,875	\$ 3,403,400	\$ 3,285,750			
Net Pension Liability as a Percentage of Covered Payroll	-27.03%	-7.08%	18.87%	-24.60%	7.06%	-0.36%	-26.38%			
Fiduciary Net Position as a Percentage of Total Pension Liability	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%	106.83%			

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

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

Fiscal period ending December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 481,085	\$ 416,596	\$ 429,409	\$ 347,690	\$ 302,888	\$ 293,590	\$ 272,272	\$ 262,860	\$ 254,144	\$ 213,829
Actual Contribution	\$ 481,085	\$ 416,596	\$ 429,409	\$ 347,690	\$ 302,888	\$ 293,590	\$ 272,272	\$ 262,860	\$ 254,144	\$ 213,829
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 5,659,824	\$ 5,207,450	\$ 5,367,613	\$ 4,346,125	\$ 3,786,100	\$ 3,669,875	\$ 3,403,400	\$ 3,285,750	\$ 3,176,800	\$ 2,672,863
Actual Contribution as a % of Covered Payroll	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

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

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2021

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

Measurement period ending December 31,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Pension Liability										
Service Cost	\$ 104,484	\$ 104,484	\$ 112,218	\$ 112,218	\$ 106,833	\$ 106,833	\$ 114,246			
Interest on the Total Pension Liability	471,909	469,634	465,591	460,674	415,838	411,700	416,539			
Benefit Changes	-	-	-	-	374,465	-	-			
Difference between Expected and Actual Experience	(243,893)	-	169,748	-	20,540	-	(164,171)			
Assumption Changes	-	-	282,492	-	171,900	-	-			
Benefit Payments	(552,242)	(531,349)	(518,514)	(496,563)	(492,335)	(435,411)	(419,850)			
Net Change in Total Pension Liability	(219,742)	42,769	511,535	76,329	597,241	83,122	(53,236)			
Total Pension Liability - Beginning	6,961,653	6,918,884	6,407,349	6,331,020	5,733,779	5,650,657	5,703,893			
Total Pension Liability - Ending (a)	6,741,911	6,961,653	6,918,884	6,407,349	6,331,020	5,733,779	5,650,657			
Plan Fiduciary Net Position										
Employer Contributions	\$ 222,215	\$ 162,215	\$ 162,215	\$ 162,215	\$ 156,141	\$ 136,141	\$ 132,800			
Pension Plan Net Investment Income	688,358	733,400	6,492	738,307	269,779	97,518	355,301			
Benefit Payments	(552,242)	(531,349)	(518,514)	(496,563)	(492,335)	(435,411)	(419,850)			
Pension Plan Administrative Expense	(25,690)	(33,741)	(35,490)	(28,998)	(8,352)	(10,193)	(8,497)			
State of Colorado supplemental discretionary payment	38,552	-	38,552	38,552	38,552	38,552	38,552			
Net Change in Plan Fiduciary Net Position	371,193	330,525	(346,745)	413,513	(36,215)	(173,393)	98,306			
Plan Fiduciary Net Position - Beginning	5,663,378	5,332,853	5,679,598	5,266,085	5,302,300	5,475,693	5,377,387			
Plan Fiduciary Net Position - Ending (b)	6,034,571	5,663,378	5,332,853	5,679,598	5,266,085	5,302,300	5,475,693			
Net Pension Liability/(Asset) - Ending (a) - (b)	707,340	1,298,275	1,586,031	727,751	1,064,935	431,479	174,964			
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	89.51%	81.35%	77.08%	88.64%	83.18%	92.47%	96.90%			
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A			

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

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

Fiscal period ending December 31,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially Determined Contribution	\$ 264,021	\$ 264,021	\$ 200,767	\$ 200,767	\$ 174,693	\$ 174,693	\$ 164,607	\$ 164,607	\$ 153,246	\$ 153,246
Actual Contribution	\$ 305,827	\$ 260,767	\$ 162,215	\$ 200,767	\$ 200,767	\$ 194,693	\$ 174,693	\$ 171,352	\$ 171,352	\$ 171,352
Contribution Deficiency (Excess)	\$ (41,806)	\$ 3,254	\$ 38,552	\$ -	\$ (26,074)	\$ (20,000)	\$ (10,086)	\$ (6,745)	\$ (18,106)	\$ (18,106)
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Actual Contribution as a % of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2021

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

Measurement period ending December 31,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Proportion of the Net Pension Liability	0.014%	0.014%	0.018%	0.017%	0.016%					
Proportionate Share of the Net Pension Liability (Asset)	\$ 136,948	\$ 160,975	\$ 239,791	\$ 226,403	\$ 226,403					
Actual Covered Member Payroll	\$ 1,310,197	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301					
Net Pension Liability as a Percentage of Covered Payroll	10.45%	12.29%	16.11%	15.98%	18.27%					
Fiduciary Net Position as a Percentage of Total Pension Liability	32.78%	17.03%	17.03%	17.53%	16.72%					

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

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

Fiscal period ending December 31,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	\$ 19,380	\$ 15,734	\$ 13,364	\$ 15,178	\$ 14,448	\$ 12,641	\$ 12,255	\$ 10,495	\$ 12,109	\$ 11,746
Actual Contribution	\$ 19,380	\$ 15,734	\$ 13,364	\$ 15,178	\$ 14,448	\$ 12,641	\$ 12,255	\$ 10,495	\$ 12,109	\$ 11,746
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 1,900,035	\$ 1,603,383	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424	\$ 1,028,887	1,187,179	1,151,594
Actual Contribution as a % of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

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

DURANGO FIRE PROTECTION DISTRICT
Other Supplemental Information
Year Ended December 31, 2021

**DURANGO FIRE PROTECTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Transfer from General Fund	\$ 1,200,000	\$ 3,200,000	\$ 3,200,000	\$ -
City of Durango capital contribution	272,052	272,052	272,052	-
Impact fees	100,000	350,000	383,988	33,988
Capital grants	120,000	120,000	116,385	(3,615)
Interest	35,000	35,000	1,513	(33,487)
Sale of assets	-	-	9,900	9,900
Total revenues	<u>1,727,052</u>	<u>3,977,052</u>	<u>3,983,838</u>	<u>6,786</u>
Expenditures				
Capital expenditures				
Capital expenditures for 9-R Admin Building	-	5,000,000	5,000,693	(693)
Capital expenditures for Training site	1,400,000	1,400,000	1,165,440	234,560
Capital equipment	1,620,000	370,000	394,502	(24,502)
Total Expenditures	<u>3,020,000</u>	<u>6,770,000</u>	<u>6,560,635</u>	<u>209,365</u>
Excess of revenues over (under) expenditures	<u>(1,292,948)</u>	<u>(2,792,948)</u>	<u>(2,576,797)</u>	<u>216,151</u>
Net change in fund balance	<u>(1,292,948)</u>	<u>(2,792,948)</u>	<u>(2,576,797)</u>	<u>216,151</u>
Fund balance - Beginning of Year			2,830,438	
Fund balance - End of Year			<u>\$ 253,641</u>	

STATISTICAL SECTION

Statistical Section Comments

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

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

Financial Trends: Net position increased by \$2,269,241 (11%) in 2021 after an increase of \$2,843,804 (16%) in 2020. The fund balance decreased by \$489,372 in 2020 ending the year at \$8,551,979 with \$4,979,393 unassigned and decreased by \$3,746,859 in 2021 ending the year at \$4,805,120 with \$3,726,837 unassigned.

Revenue Capacity: The District received 31% of its revenue from property taxes in 2021. Total taxable assessed valuations for the District were \$557,000,900 in 2018, \$576,183,820 in 2019, \$590,554,380 in 2020, and \$590,554,380 in 2021. The City of Durango contributed 33% of revenues and the City receives most of their revenue from sales taxes. Future revenue capacity from the City of Durango can be judged by reviewing their annual financial reports.

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

Demographic and Economic Information: La Plata County has experienced a 7% increase in population from 2011 to 2020 when the US Census calculated the population at 55,651. The number of housing units has increased by 9% during the same time frame. Total personal income declined slightly in 2015 and 2016 before increasing in every year through 2020 when it reached \$3,467,600. Unemployment has been very low for most of the past ten years, however it did increase in 2010 reaching 7.5%. It increased from 2.40% in 2019 to 6.60% at the end of 2020 due to Covid, however it was below the national average.

Operating Information: The District currently has 98 full-time employees which is 24 more than DFRA had in 2012 and 2013 and 8 more than DFPD operated with in 2020. Twenty-two additional employees are line personnel and operational support staff increased by two. Capital assets are even with the level DFRA had since 2010, and the fleet size is consistent with what was operated by DFRA since 2010. EMS calls have increased by 65% from 2012 to 2021 while Fire calls have fluctuated up and down and were below the ten-year average of 207 per year in 2021. Total call volume increased by 58% from 2012 to 2021.

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

**Durango Fire Protection District
Net Position by Component
2013 - 2021**

	2013	2014	2015	2016	2017	2018	2019	2020	2021
Primary Government:									
Governmental Activities									
Net investment in capital assets	8,761,035	8,225,599	7,730,319	6,843,474	6,266,151	6,384,571	10,998,138	14,292,450	19,834,968
Restricted	200,000	322,642	331,827	338,671	416,179	434,970	486,762	542,148	626,642
Unrestricted	8,082,898	7,506,384	7,434,781	7,437,295	6,421,459	8,406,388	6,638,067	6,132,173	2,774,401
Total governmental activities net position	17,043,933	16,054,625	15,496,927	14,619,440	13,103,789	15,225,929	18,122,967	20,966,771	23,236,011

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

Durango Fire Protection District
Changes in Net Position
2014 - 20201

	2014	2015	2016	2017	2018	2019	2020	2021
Expenses								
Governmental activities								
Public Safety	10,087,650	9,967,548	11,017,592	12,140,760	11,579,557	11,998,560	12,862,157	13,670,429
Total governmental activities expenses	<u>10,087,650</u>	<u>9,967,548</u>	<u>11,017,592</u>	<u>12,140,760</u>	<u>11,579,557</u>	<u>11,998,560</u>	<u>12,862,157</u>	<u>13,670,429</u>
Program Revenues								
Governmental activities								
Charges for services	1,842,659	2,264,658	2,351,618	2,811,118	3,015,206	3,784,110	4,223,601	3,950,523
Operating grants and contributions	301,290	673,624	26,004	8,234	21,361	22,009	106,223	115,457
Capital grants and contributions	472,651	416,066	423,097	792,311	430,429	561,720	509,394	782,325
Total governmental activities program revenues	<u>2,616,600</u>	<u>3,354,348</u>	<u>2,800,719</u>	<u>3,611,663</u>	<u>3,466,996</u>	<u>4,367,839</u>	<u>4,839,218</u>	<u>4,848,305</u>
Net (expense)/revenue								
Governmental activities	<u>(7,471,050)</u>	<u>(6,613,200)</u>	<u>(8,216,873)</u>	<u>(8,529,097)</u>	<u>(8,112,561)</u>	<u>(7,630,721)</u>	<u>(8,022,939)</u>	<u>(8,822,124)</u>
General Revenues and Other Changes in Net Position								
Property taxes	3,043,898	3,199,028	3,631,116	3,167,088	4,506,664	4,623,948	4,782,739	4,968,122
Specific ownership taxes	538,938	538,571	562,268	682,648	953,782	976,534	969,300	1,079,122
Contract with City of Durango	2,680,153	2,734,584	2,943,622	3,002,282	4,505,213	4,546,600	4,875,754	4,912,436
Other local taxes	170,650	168,241	101,796	55,861	49,769	56,725	44,123	29,931
Interest	8,851	11,135	35,908	59,598	176,585	251,489	119,254	499
Other	39,252	51,015	64,676	45,969	42,688	62,463	75,573	101,255
Total general revenues	<u>6,481,742</u>	<u>6,702,574</u>	<u>7,339,386</u>	<u>7,013,446</u>	<u>10,234,701</u>	<u>10,517,759</u>	<u>10,866,743</u>	<u>11,091,365</u>
Change in Net Position	<u>(989,308)</u>	<u>89,374</u>	<u>(877,487)</u>	<u>(1,515,651)</u>	<u>2,122,140</u>	<u>2,887,038</u>	<u>2,843,804</u>	<u>2,269,241</u>

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

**Durango Fire Protection District
Fund Balances of Governmental Funds
2014 - 2021**

	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:								
Restricted for:								
Emergency reserves	322,642	331,827	338,671	416,179	434,970	486,762	542,148	624,642
Committed for:								
Capital projects	472,052	744,104	1,016,156	200,000	200,000	200,000	200,000	200,000
Unassigned	7,537,075	7,610,553	7,847,761	3,589,365	3,798,016	4,552,002	4,979,393	3,726,837
Total general fund	<u>8,331,769</u>	<u>8,686,484</u>	<u>9,202,588</u>	<u>4,205,544</u>	<u>4,432,986</u>	<u>5,238,764</u>	<u>5,721,541</u>	<u>4,551,479</u>
Capital Project Fund:								
Restricted for:								
Emergency reserves	-	-	-	-	-	-	-	-
Committed for:								
Capital projects	-	-	-	5,371,217	6,897,915	3,802,587	2,830,438	253,641
Unassigned	-	-	-	-	-	-	-	-
Total general fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,371,217</u>	<u>6,897,915</u>	<u>3,802,587</u>	<u>2,830,438</u>	<u>253,641</u>
Total:								
Restricted for:								
Emergency reserves	322,642	331,827	338,671	416,179	434,970	486,762	542,148	624,642
Committed for:								
Capital projects	472,052	744,104	1,016,156	5,571,217	7,097,915	4,002,587	3,030,438	453,641
Unassigned	7,537,075	7,610,553	7,847,761	3,589,365	3,798,016	4,552,002	4,979,393	3,726,837
Total all funds	<u>8,331,769</u>	<u>8,686,484</u>	<u>9,202,588</u>	<u>9,576,761</u>	<u>11,330,901</u>	<u>9,041,351</u>	<u>8,551,979</u>	<u>4,805,120</u>

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

(489,372) (3,746,859)

**Durango Fire Protection District
Governmental Funds Changes in Fund Balances
2014 - 2021**

	2014	2015	2016	2017	2018	2019	2020	2021
Revenue								
Property taxes	3,043,898	3,199,028	3,631,116	3,167,088	4,506,664	4,623,948	4,782,739	4,968,121
Specific ownership taxes	\$ 538,938	\$ 538,571	\$ 562,268	\$ 682,648	\$ 953,782	\$ 976,534	\$ 969,300	\$ 1,079,122
Contract with City of Durango	2,680,153	2,734,584	2,943,622	3,002,282	4,505,213	4,546,600	4,875,754	4,912,436
Other local taxes	170,650	168,241	101,796	55,861	49,769	56,725	44,123	29,931
Ambulance income, net	1,248,405	1,409,719	1,629,742	1,587,072	1,671,001	2,724,734	2,841,167	2,804,212
Fees for services	594,254	854,939	721,876	1,224,046	1,344,205	1,059,376	1,382,434	1,146,311
Grants	405,504	643,624	31,396	137,938	21,361	93,271	106,223	231,842
Impact fees	96,385	144,014	124,034	146,262	148,047	156,375	219,542	383,988
City of Durango contribution for capital	272,052	272,052	272,052	272,052	272,052	272,052	272,052	272,052
Interest income	8,851	11,135	35,908	59,598	176,585	251,489	119,254	499
Miscellaneous income	39,252	51,015	64,676	45,969	42,688	62,463	75,573	101,255
Total revenues	<u>9,098,342</u>	<u>10,026,922</u>	<u>10,118,486</u>	<u>10,380,816</u>	<u>13,691,367</u>	<u>14,823,567</u>	<u>15,688,161</u>	<u>15,929,769</u>
Expenditures								
General Government								
Fire administration	1,316,459	1,351,526	1,476,087	1,465,202	1,637,483	1,739,774	1,586,654	1,712,965
Fire fighting	3,468,749	3,766,207	3,556,051	3,984,440	4,704,352	4,593,583	5,051,313	5,346,772
Fire prevention	389,411	378,768	437,881	460,514	471,902	499,987	541,541	658,075
Fire training	415,223	351,055	508,162	489,601	558,691	497,303	469,913	544,503
Fire communications	82,323	89,980	98,935	90,662	133,959	105,315	165,261	176,947
Fire repair services	423,368	355,086	385,788	439,859	382,487	439,743	420,256	551,323
Emergency medical services	2,709,358	2,625,223	2,794,090	2,834,004	3,053,565	3,385,514	3,563,533	3,872,087
Stations and building	140,202	159,906	160,432	159,594	165,782	283,487	202,612	238,656
Capital outlay	576,796	624,457	206,576	452,724	839,336	5,630,442	4,194,250	6,585,200
Total expenditures	<u>9,521,889</u>	<u>9,702,208</u>	<u>9,624,002</u>	<u>10,376,600</u>	<u>11,947,557</u>	<u>17,175,148</u>	<u>16,195,333</u>	<u>19,686,528</u>
Other financing sources and (uses)								
Sale of assets	-	30,000	21,619	369,958	10,330	62,031	17,800	9,900
Total other financing sources and (uses)	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 21,619</u>	<u>\$ 369,958</u>	<u>\$ 10,330</u>	<u>\$ 62,031</u>	<u>\$ 17,800</u>	<u>\$ 9,900</u>
Net change in fund balance	<u>(423,547)</u>	<u>354,714</u>	<u>516,103</u>	<u>374,174</u>	<u>1,754,140</u>	<u>(2,289,550)</u>	<u>(489,372)</u>	<u>(3,746,859)</u>

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

**Durango Fire Protection District
Assessed Value and Actual Value of Taxable Property
2014 - 2020**

Fiscal Year	Vacant Land	Residential	Commercial	Industrial	Agricultural	Natural Resources	Oil and Gas	State Assessed	Exempt	Total Taxable Assessed Value	Taxable	Total Estimated Actual Value	Total Direct Rate
											Values Percentage of Estimated Actual Value		
2014	68,860,290	245,730,860	52,122,850	5,336,200	4,621,670	277,660	138,238,010	16,320,040	69,835,810	531,507,580	13.67%	3,888,364,640	5.700
2015	66,962,970	250,224,180	51,465,710	5,598,800	4,737,450	603,220	163,321,460	16,545,600	64,557,390	559,459,390	14.15%	3,953,479,400	5.700
2016	69,032,260	283,516,190	56,709,320	6,092,730	4,498,420	821,190	192,144,270	16,600,280	72,380,100	629,414,660	14.20%	4,431,760,080	5.700
2017	69,893,270	284,105,700	62,666,110	9,316,530	5,900,410	1,487,070	91,401,520	17,895,870	58,669,080	542,666,480	11.51%	4,716,357,360	5.700
2018	67,837,270	290,598,550	62,579,050	10,440,710	5,954,260	1,592,900	99,556,390	18,441,770	61,673,190	557,000,900	11.59%	4,805,667,750	8.200
2019	67,905,620	320,430,870	65,924,420	11,225,900	5,470,420	1,614,370	85,681,710	17,930,510	62,495,270	576,183,820	10.61%	5,430,499,820	8.200
2020	62,395,340	324,271,910	64,759,150	12,070,800	6,239,280	1,624,530	101,764,860	17,428,510	52,871,170	590,554,380	10.67%	5,537,151,700	8.200

Source: La Plata County Assessor's Office

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

**Durango Fire Protection District
Direct and Overlapping Property Tax Rates
2014 - 2021**

Collection Year	2014	2015	2016	2017	2018	2019	2020	2021
Durango Fire Protection District Direct	5.700	5.700	5.700	5.700	8.200	8.200	8.200	8.200
Animas La Plata Water Conservancy	0.325	0.333	0.322	0.328	0.328	0.344	0.345	0.352
Animas Misquito Control	0.990	0.990	0.990	0.990	0.990	0.990	1.400	1.400
Bayfield School District	23.222	21.599	21.161	32.478	31.905	31.721	32.848	34.751
Durango Hills Road Improvement District	0.000	0.000	0.000	20.379	0.000	20.379	20.379	20.379
Durango School District	19.090	19.090	17.876	19.874	20.281	21.075	22.787	24.025
Durango West Metropolitan #1	20.200	20.300	19.460	0.000	0.000	0.000	0.000	0.000
Edgemont Ranch Metropolitan	7.874	7.876	7.875	7.880	7.895	7.906	7.874	7.874
Edgemont Ranch Metropolitan Bond	3.426	3.600	2.893	2.808	2.724	2.450	2.064	1.927
El Rancho Florida Metropolitan	25.333	20.589	21.149	26.110	21.573	23.841	15.021	24.919
Elevation Park Metro District	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000
Elevation Park Metro DistrictBond	0.000	0.000	0.000	0.000	0.000	0.000	50.000	50.000
Florida Mosquito Control	0.700	0.700	0.700	0.700	0.700	0.700	0.700	0.700
Florida Water Conservancy	0.073	0.066	0.060	0.060	0.060	0.060	0.060	0.060
Ignacio Community Library District	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Ignacio School District	13.173	11.470	12.436	15.535	18.350	17.713	19.469	19.469
La Plata Archuleta Water District	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
La Plata County General	7.410	7.410	7.410	7.348	7.348	7.348	7.348	7.115
La Plata County Human Services	0.380	0.380	0.380	0.443	0.442	0.442	0.442	0.675
La Plata County R&B	0.710	0.710	0.710	0.710	0.710	0.710	0.710	0.710
La Plata Water Conservancy	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.295
LPC Palo Verde Pub Imp Distr No. 3	8.448	4.840	4.559	32.235	27.820	18.671	18.466	19.888
LPC Palo Verde Pub Imp Distr No. 3 Bond	62.934	16.860	13.567	0.000	0.000	0.000	0.000	0.000
Pine River Cemetary	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150
Pine River Library	2.500	2.504	2.501	2.500	2.500	2.500	4.000	4.000
Purgatory Metropolitan	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313
Purgatory Metropolitan Subdistrict	15.000	15.000	15.000	15.000	15.000	15.000	15.000	15.000
Southwest La Plata Library District	0.000	0.000	0.000	0.000	0.000	0.000	1.500	1.500
Southwestern Water Conservancy	0.368	0.362	0.340	0.395	0.407	0.407	0.407	0.407
Tamarron Metropolitan District	13.239	13.000	13.000	13.000	13.000	13.000	14.430	14.430
Tamarron Metropolitan District Bond	37.000	37.000	37.000	37.000	37.000	37.000	41.070	41.070
Total Direct and Overlapping Millages	302.353	244.637	239.347	275.730	251.491	264.715	328.778	343.109

Source: La Plata County Assessor's Office

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

**Durango Fire Protection District
Principal Property Tax Payers
2021**

Rank	Taxpayer	Taxable Assessed Value	Percentage of Total Assessed Value
1	Simcoe LLC	40,984,270	6.85%
2	Harvest Four Corners LLC	38,019,120	6.35%
3	Hilcorp San Juan LP	10,124,830	1.69%
4	Enduring Resources LLC	7,576,430	1.27%
5	La Plata Electric Association Inc.	6,100,000	1.02%
6	Glacier Properties Associates LLC	5,665,550	0.95%
7	IKAV Energy Inc.	4,351,620	0.73%
8	Oldcastle SW Group Inc.	3,949,770	0.66%
9	Public Service CO of Colorado (Xcel)	3,561,800	0.60%
10	Red Cedar	<u>2,372,340</u>	<u>0.40%</u>
		122,705,730	20.51%

Source: La Plata County Assessors Office

**Durango Fire Protection District
General Fund Property Tax Levies and Collections
2014 - 2020**

Fiscal Year	Total Tax Levy for Year	Amount Collected	Percentage of Levy	Collections in Subsequent Years	Total Collections	Percentage of Levy
2014	3,077,758	3,036,599	98.66%	253	3,036,852	98.67%
2015	3,236,060	3,193,747	98.69%	-	3,193,747	98.69%
2016	3,634,503	3,588,243	98.73%	976	3,589,219	98.75%
2017	3,168,838	3,125,182	98.62%	2,038	3,127,220	98.69%
2018	4,507,223	4,445,630	98.63%	2,296	4,447,926	98.68%
2019	4,622,922	4,560,507	98.65%	(6,999)	4,553,508	98.50%
2020	4,792,463	4,723,896	98.57%	3,859	4,727,755	98.65%
2021	4,918,754	4,849,048	98.58%	-	4,849,048	98.58%

Source: Durango Fire Protection District

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

**La Plata County, Colorado
Demographic Data
2011 - 2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Population	51,803	52,314	53,146	53,557	54,300	54,884	55,034	55,731	55,509	55,651
Births	543	536	495	552	579	571	503	459	421	481
Deaths	246	332	315	301	345	351	353	338	345	371
Housing units	26,063	26,154	26,262	26,464	26,672	26,937	27,145	27,670	27,983	28,288
Households	21,317	21,560	21,917	22,147	22,545	22,821	23,021	23,428	23,333	23,531
Average household size	2.35	2.34	2.33	2.33	2.32	2.32	2.31	2.30	2.30	2.29
Registered voters	38,590	41,732	41,785	40,154	41,117	44,828	43,870	43,811	45,238	49,435
Employment	27,527	27,583	27,894	28,651	28,871	30,141	30,639	31,298	31,115	30,924
Unemployment	2,145	1,994	1,658	1,256	991	851	711	886	770	2,027
Unemployment rate	7.30%	6.70%	5.60%	4.20%	3.30%	2.70%	2.30%	2.80%	2.40%	6.60%
Total personal income (thousands)	2,278,079	2,474,162	2,919,909	3,166,310	3,014,871	2,909,514	2,926,919	3,164,292	3,257,804	3,467,600
Per capita personal income	43,905	47,137	54,647	58,700	55,040	52,462	52,532	55,994	57,722	61,304

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

Accurate demographic information is not compiled for the District's service area. The District's service area covers a significant part of La Plata County including the county seat the City of Durango. Complete data for 2020 is not available as of this date.

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

Employer	2010 Employees	2011 Employees	2012 Employees	2013 Employees	2014 Employees	2015 Employees	2016 Employees	2018 Employees	2019 Employees	2020 Employees	2020 Percentage of Total County Employment
Southern Ute Indian Tribe	1,500	1,500	1,500	970	755	845	795	980	1,545	1,416	5.0%
Durango School District 9-R	544	544	544	573	601	632	853	1,011	788	943	2.5%
Mercy Medical Center	625	625	726	900	797	1,200	860	1,321	941	756	3.0%
Fort Lewis College	535	535	535	709	636	570	660	611	680	673	2.2%
La Plata County	412	412	412	400	326	401	434	458	395	422	1.3%
Wal Mart Stores, Inc.	353	353	320	354	365			322	322	338	1.0%
City of Durango	500	500	430	475	314		546	595	354	328	1.1%
Bayfield School District #10									390	226	1.3%
Rocky Mountain Chocolate Factory									190	190	0.6%
Durango Mountain Resort	346	346	400	400	400	479	1,000		850	136	2.7%
Crossfire						322	705	474			
Sky Ute Lodge and Casino				430	395	400	425	400			
Worldpay (formerly Mercury)	442	442	637	417	409	630	365	360			
BP America						221					
San Juan Basin Health	226	226	226								
Total	5,483	5,483	5,730	5,628	4,998	5,700	6,643	6,532	6,455	5,428	20.9%

Source: Region 9 Economic Development District of Southwest Colorado

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

**Durango Fire Protection District
Full-time Equivalent Employees
2012- 2021**

Function	2012*	2013*	2014	2015	2016	2017	2018	2019	2020	2021
Fire and EMS										
Firefighters and officers	54	54	54	54	54	54	58	66	69	76
Administrative staff	9	9	9	9	9	9	9	8	8	9
Operational support staff	11	11	11	11	12	12	13	13	13	13
Total Fire and EMS Full-time Employees	74	74	74	74	75	75	80	87	90	98

Source: Durango Fire Protection District

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

**Durango Fire Protection District
Operating Indicators by Function
2012 - 2021**

	2012*	2013*	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Fire										
Structure and wildland fires	226	302	346	222	364	148	148	98	106	114
Hazardous conditions	126	179	106	116	109	121	91	164	126	169
EMS										
Emergency medical	2,810	3,089	3,444	3,747	4,127	3,713	3,807	3,865	3,939	4,634
Public Service Assistance	44	43	32	29	41	243	218	244	316	278
Good Intent Calls						761	843	740	734	787
False Alarms	779	652	656	724	441	265	287	301	260	302
Total Calls	<u>3,985</u>	<u>4,265</u>	<u>4,584</u>	<u>4,838</u>	<u>5,082</u>	<u>5,251</u>	<u>5,394</u>	<u>5,412</u>	<u>5,481</u>	<u>6,284</u>
Inspections	<u>885</u>	<u>943</u>	<u>690</u>	<u>809</u>	<u>822</u>	<u>847</u>	<u>N/A</u>	<u>625</u>	<u>530</u>	<u>863</u>

Source: Durango Fire Protection District

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

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

**Durango Fire Protection District
Capital Asset Statistics
2012 - 2021**

Function	2012*	2013*	2014	2015	2016	2017	2018	2019	2020	2021
Fire and EMS										
Fire stations										
Staffed stations	4	4	4	4	4	4	4	4	4	4
Volunteer	12	12	12	12	12	12	12	12	12	12
Administrative building	1	1	1	1	1	1	1	1	1	1
Fleet										
Engines	18	18	18	18	18	18	18	19	19	19
Tankers	9	9	9	9	9	9	9	9	9	9
75' aerials	2	2	2	2	2	2	2	2	2	2
Ambulances	6	6	8	8	8	9	9	9	10	11
Brush trucks	8	8	8	8	8	8	8	8	9	8
Rescue trucks	3	3	3	3	3	3	3	1	3	1
Other	33	33	33	33	33	33	34	28	37	29

Source: Durango Fire Protection District

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

**Durango Fire Protection District
Calls by District
2021**

2020 Calls by District	EMS	False Alarm	Fire	Hazardous Cond.	Public Service	Good Intent	Total
DFRA 1 - Bodo	444	43	17	21	14	65	604
DFRA 2 - Downtown	1,416	85	17	58	112	206	1,894
DFRA 3 - 32nd Street	736	61	11	22	59	117	1,006
DFRA 4 - Sunnyside	72	2	6	2	5	16	103
DFRA 5 - Edgemont	68	13	2	8	5	19	115
DFRA 6 - Trimble	154	10	7	9	12	28	220
DFRA 7 - Elmore's Corner	1,244	20	17	16	41	103	1,441
DFRA 8 - Rafter J	41	6	3	7	8	11	76
DFRA 9 - Durango West	59	7	7	6	7	24	110
DFRA 10 - Elkhorn Mountain	0	0	0	0	0	0	0
DFRA 11 - Bondad	59	0	6	4	1	11	81
DFRA 12 - Timberline	80	5	5	6	6	27	129
DFRA 13 - Falls Creek	9	3	1	2	1	7	23
DFRA 14 - Tamarron	23	9	3	2	0	10	47
DFRA 15 - Electra Lake	14	3	2	3	1	7	30
DFRA 16 - Durango Mtn. Resort	120	34	4	2	4	61	225
Mutual Aid	95	1	6	1	2	75	180
Total	4,634	302	114	169	278	787	6,284

Source: Durango Fire Protection District

