



FINANCIAL STATEMENTS

Year Ended December 31, 2021



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Independent Auditors' Report

Board of Directors
Platte Valley Fire Protection District
Kersey, Colorado

Opinions

We have audited the accompanying balance sheet/statement of net position, and the statement of revenues, expenditures and changes in fund balances/statement of activities of the governmental activities, the major fund, and the budgetary comparison statement of Platte Valley Fire Protection District as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the governmental activities and the major fund of Platte Valley Fire Protection District as of December 31, 2021, and the changes in financial position and the budgetary comparison for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the 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.

Management's Responsibility for the Financial Statements

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

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

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 the District's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS 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 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 GAAS, 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 the 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 the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States require that management discussion and analysis and pension schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of 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 evidence sufficient to express an opinion or provide any assurance.

Anderson & Whitney, P.C.

August 29, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the Platte Valley Fire Protection District (PVFPD) for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- * PVFPD's assets exceeded liabilities by \$19.1 million at December 31, 2021.
- * The General Fund balance was \$11 million as of December 31, 2021. Of this amount, \$226,681 is reserved for emergencies.
- * The December 31, 2021 General Fund balance is \$700,133 less than the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

The basic governmental fund financial statements can be found on pages 9 and 10 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14 through 29 of this report.

Budgetary Comparisons. PVFPD adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund on pages 11 through 13 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2021, assets exceeded liabilities by \$19,117,507.

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

December 31	2021	2020
Assets:		
Current and other assets	\$ 17,041,559	\$ 19,335,218
Capital assets	11,154,283	11,049,215
Total Assets	28,195,842	30,384,433
Deferred Outflows of Resources:		
Pension plans	930,289	1,057,909
Deferred loss	329,479	--
Liabilities:		
Current and other liabilities	19,910	16,517
Long-term liabilities	4,714,060	7,822,000
Total Liabilities	4,733,970	7,838,517
Deferred Inflows of Resources:		
Deferred property taxes	4,810,121	6,908,921
Pension plans	794,012	475,914
Total Deferred Inflows	5,604,133	7,384,835
Net Position:		
Net investment in capital assets	6,769,702	3,227,215
Restricted	226,681	267,128
Unrestricted	12,121,124	12,724,647
Total Net Position	\$ 19,117,507	\$16,218,990

A significant portion of PVFPD's net position represents unrestricted net position of \$12,121,124 which may be used to meet the District's ongoing obligations to patrons.

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

An additional \$226,681 of the District's net position represents resources that are subject to external restriction on how they may be used. Included in this category are the TABOR emergency reserves of \$226,681.

The following table indicates the changes in net position:

Years Ended December 31	2021	2020
Revenues:		
General revenues:		
Property and S.O. taxes	\$ 7,228,723	\$ 8,398,817
Investment earnings	11,302	61,915
Other revenue and grants	316,020	443,523
Total Revenues	7,556,045	8,904,255
Expenses:		
Program services	3,958,308	3,694,656
Depreciation	477,947	437,806
Interest and debt costs	221,274	364,172
Total Expenses	4,657,529	4,496,634
Increase in Net Position	\$2,898,517	\$4,407,621

Governmental Activities. Governmental activities increased PVFPD's net position by \$2,898,517 in 2021. Key elements of this increase are as follows:

- * Total revenues were \$7,556,045, down 15% from the prior year. This is primarily due to decreased property taxes, from lower oil and gas production.
- * Expenses totaled \$4,657,529. This represents a 2% increase over the previous year, primarily due to increased program services.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

Year Ended December 31, 2021	Final Budget	Actual
Beginning Fund Balance	\$ 11,697,425	\$ 11,697,425
Revenue and financing sources	15,178,236	12,382,106
Expenditures and financing uses	13,508,102	13,082,239
Ending Fund Balance	\$ 13,367,559	\$ 10,997,292

CAPITAL ASSET ADMINISTRATION

Capital Assets. PVFPD's investment in capital assets for its governmental type activities as of December 31, 2021, totals \$11,154,283 (net of accumulated depreciation). This investment includes all land, buildings, equipment, and vehicles. The primary capital activity of 2021 was the construction of campus training grounds.

The District implemented the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated. Additional information on the District's capital assets can be found in Note 2 of this report.

DEBT ADMINISTRATION

Long-term Debt. Debt financing of approximately \$8.62 million was received in January 2012 for the station and was refinanced in 2021 at \$4.4 million. Annual required payments are approximately \$500,000, funded from General Fund taxes.

In 2014, a note payable was entered into with Poudre Valley REA. Additional information on the District's debt can be found in Note 7.

OTHER MATTERS

The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2022 budget:

- The assessed valuation of property in the District decreased for 2022, resulting in a property taxes expected of \$4,810,121.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of PVFPD's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, 27128 County Road 53, Kersey, Colorado 80644.

PLATTE VALLEY FIRE PROTECTION DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION

December 31, 2021	General Fund	Adjustments	Statement of Net Position
<u>ASSETS</u>			
Cash and Investments	\$ 11,013,172	\$ -	\$ 11,013,172
Property Taxes Receivable	4,810,121	-	4,810,121
Other Receivables	4,030	-	4,030
Restricted Cash	-	-	-
Capital Assets:			
Land	-	399,421	399,421
Construction in Progress	-	287,669	287,669
Buildings and improvements, net	-	7,602,021	7,602,021
Equipment and vehicles, net	-	2,865,172	2,865,172
Net Pension Asset	-	1,214,236	1,214,236
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Loss on Debt Refunding	-	329,479	329,479
Pension Plans	-	930,289	930,289
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 15,827,323	\$ 13,628,287	\$ 29,455,610
<u>LIABILITIES</u>			
Accounts Payable	19,910	-	19,910
Certificates of Participation	-	4,506,060	4,506,060
Note Payable	-	208,000	208,000
Net Pension Liability	-	-	-
Total Liabilities	19,910	4,714,060	4,733,970
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Property Taxes	4,810,121	-	4,810,121
Pension Plans	-	794,012	794,012
<u>FUND BALANCE/NET POSITION</u>			
Fund Balances:			
Restricted for debt service	-	-	-
Restricted for TABOR emergencies	226,681	(226,681)	-
Unassigned	10,770,611	(10,770,611)	-
Total Fund Balance	10,997,292	(10,997,292)	-
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 15,827,323		
Net Position:			
Net investment in capital assets		6,769,702	6,769,702
Restricted for emergencies		226,681	226,681
Unrestricted		12,121,124	12,121,124
		<u>\$ 19,117,507</u>	<u>\$ 19,117,507</u>

See Accompanying Notes to Financial Statements.

PLATTE VALLEY FIRE PROTECTION DISTRICT

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

Year Ended December 31, 2021	General Fund	Adjustments	Statement of Activities
Revenue:			
General property taxes	\$ 6,882,144	\$ -	\$ 6,882,144
Specific ownership taxes	346,579	-	346,579
Interest earnings	11,302	-	11,302
Other revenue and grants	316,020	-	316,020
Total Revenue	7,556,045	-	7,556,045
Expenditures:			
Current Operating:			
Administration	1,777,179	(56,332)	1,720,847
Fire fighting	1,582,301	-	1,582,301
Fire apparatus	73,224	-	73,224
Fire and EMS Training	157,906	-	157,906
Fire station and buildings	173,737	-	173,737
Capital outlay	833,308	(583,015)	250,293
Debt service	645,274	(424,000)	221,274
Depreciation	-	477,947	477,947
Total Expenditures	5,242,929	(585,400)	4,657,529
Other Financing Sources and Uses:			
Proceeds of Refunding COP's	4,826,060	(4,826,060)	-
Payments to COP refunding agent	(7,839,310)	7,839,310	-
Total other sources and uses	(3,013,250)	3,013,250	-
Revenue Over Expenditures/ Change in Net Position	(700,133)	3,598,650	2,898,517
Fund Balance/Net Position, Beginning of Year	11,697,425	4,521,565	16,218,990
Fund Balance/Net Position, End of Year	\$ 10,997,292	\$ 8,120,215	\$ 19,117,507

See Accompanying Notes to Financial Statements.

PLATTE VALLEY FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON STATEMENT

Year Ended December 31, 2021	Actual	Original Budget	Final Budget	Variance from Final
Revenue:				
General Property Taxes	\$ 6,882,144	\$ 6,908,926	\$ 6,908,926	\$ (26,782)
Specific Ownership Taxes	346,579	300,000	300,000	46,579
Interest Earnings	11,302	50,000	50,000	(38,698)
Other Revenue and Grants	316,020	80,000	80,000	236,020
Total Revenue	7,556,045	7,338,926	7,338,926	217,119
Expenditures:				
Administration:				
Administrative Salaries	19,790	30,000	30,000	10,210
Fringe Benefits (all)	539,529	541,132	541,132	1,603
Salaries	701,871	702,287	702,287	416
Payroll Taxes	39,667	36,000	36,000	(3,667)
ADP Fees	7,309	10,000	10,000	2,691
Overtime Pay	100,575	107,200	107,200	6,625
Performance Awards	17,700	40,000	40,000	22,300
Election	39	10,000	10,000	9,962
Directors Fees	5,600	7,500	7,500	1,900
Telephone and Postage	239	1,000	1,000	761
Office Supplies	3,254	5,000	5,000	1,746
Professional Services	20,258	17,000	17,000	(3,258)
Insurance	82,158	80,000	80,000	(2,158)
County Treasurer's Fees	103,250	105,000	105,000	1,750
Dues and Subscriptions	15,976	20,000	20,000	4,024
Legal Fees	17,046	15,000	15,000	(2,046)
Computer Repairs and Supplies	17,439	25,000	25,000	7,561
AV System Repair and Maintenance	2,793	5,000	5,000	2,207
Workers Compensation	54,666	60,000	60,000	5,334
Web and Internet Services	2,865	3,000	3,000	135
Unrealized Gain/Loss EDGE	5,001	-	-	(5,001)
Backgrounds and Research	2,702	4,000	4,000	1,298
Miscellaneous	11,063	19,000	19,000	7,937
Copier Lease	6,387	6,500	6,500	113
Total Administration	1,777,179	1,849,619	1,849,619	72,440

Continued on next page.

PLATTE VALLEY FIRE PROTECTION DISTRICT

BUDGETARY COMPARISON STATEMENT - Continued

Year Ended December 31, 2021	Actual	Original Budget	Final Budget	Variance from Final
Fire Fighting:				
Operations Salaries	\$ 1,338,015	\$ 1,365,000	1,365,000	\$ 26,985
Fire Fighter Reward Program	6,020	7,500	7,500	1,480
Rehab Supplies	1,108	3,000	3,000	1,892
Zoll repair, maint., and warranty	7,708	5,950	5,950	(1,758)
Tool Maintenance and Replacement	701	16,747	16,747	16,046
Operating Supplies	19,172	20,000	20,000	828
FLSA	53,632	53,900	53,900	268
Medical Supplies	3,322	3,500	3,500	178
Tactical Medical Supplies & Maint.	2,000	2,000	2,000	-
Contributions to Fire Department	3,949	15,000	15,000	11,051
Radio Repair and Maintenance	7,735	8,000	8,000	265
Fire Marshal Operations	3,876	5,500	5,500	1,624
Wildland/deployments	120,776	62,443	62,443	(58,333)
Special Equipment	711	3,500	3,500	2,789
Dispatch Fees	13,574	16,407	16,407	2,833
Total Fire Fighting	1,582,301	1,588,447	1,588,447	6,146
Fire Apparatus:				
Repairs	35,484	60,000	60,000	24,516
Truck Maintenance Supplies	10,667	20,000	20,000	9,333
Gas and Oil	23,520	15,000	15,000	(8,520)
Annual Maintenance	3,553	5,000	5,000	1,447
Total Fire Apparatus	73,224	100,000	100,000	26,776
Fire and EMS Training:				
Operating Supplies	2,277	6,600	6,600	4,323
Taining Equipment	9,933	10,000	10,000	67
Public Education	3,757	5,000	5,000	1,243
FDIC	3,130	4,494	4,494	1,364
Travel	27,560	29,339	29,339	1,779
Education-FDIC	-	4,494	4,494	4,494
Firefighter Wellness	18,672	21,000	21,000	2,328
Special Operations Training	5,275	7,236	7,236	1,961
Education - Fire Training	66,848	70,911	70,911	4,063
Training - Administrative	16,834	25,162	25,162	8,328
EMS Medical Training	259	5,720	5,720	5,461
Professional Services (Instructors)	3,360	20,500	20,500	17,140
Total Fire and EMS Training	157,906	210,456	210,456	52,550

Continued on next page.

PLATTE VALLEY FIRE PROTECTION DISTRICT
BUDGETARY COMPARISON STATEMENT - Continued

Year Ended December 31, 2021	Actual	Original Budget	Final Budget	Variance from Final
Fire Station and Buildings:				
Operating Supplies	\$ 19,650	\$ 20,000	\$ 20,000	\$ 350
Utilities	77,857	72,000	72,000	(5,857)
Buildings	30,108	25,000	25,000	(5,108)
Annual Building Maintenance	19,440	20,000	20,000	560
Training Ground Maintenance	14,589	15,000	15,000	411
Grounds	12,093	15,000	15,000	2,907
Total Fire Station and Buildings	173,737	167,000	167,000	(6,737)
Capital Outlay:				
Special Rescue Equipment and Traini	3,098	7,000	7,000	3,902
Water Rescue Equipment	5,155	3,500	3,500	(1,655)
Wildland Equipment and Gear	18,650	20,500	20,500	1,850
Uniforms	12,357	20,500	20,500	8,143
District Match	56,838	65,000	65,000	8,162
Maintenance equipment	80,620	50,000	50,000	(30,620)
Radios	32,266	35,000	35,000	2,734
Bunker Gear	55,503	47,260	47,260	(8,243)
Vehicle Purchases	267,372	700,000	700,000	432,628
Computers	26,287	20,000	20,000	(6,287)
TIC repair and maintenance	64	2,000	2,000	1,936
SCBA Replacement	146,683	145,000	145,000	(1,683)
Equipment Maintenance-Other	600	6,760	6,760	6,160
Thermal Imaging Camera	11,700	11,750	11,750	50
No Smokes	10,791	9,000	9,000	(1,791)
Campus Remodel	105,324	-	-	(105,324)
Total Capital Outlay	833,308	1,143,270	1,143,270	309,962
Debt Service:				
Principal	320,000	320,000	320,000	-
Interest	113,965	186,000	186,000	72,035
Note payable	104,000	104,000	104,000	-
COP refunding fees	107,309	-	-	(107,309)
Total Debt Service	645,274	610,000	610,000	(35,274)
Total Expenditures	5,242,929	5,668,792	5,668,792	425,863
Other Financing Sources and Uses:				
Debt refunding proceeds	4,826,060	-	7,839,310	(3,013,250)
Debt refunding payments	(7,839,310)	-	(7,839,310)	-
Total Sources and Uses	(3,013,250)	-	-	(3,013,250)
Revenue Over (Under) Expenditures	(700,133)	1,670,134	1,670,134	(2,370,267)
Fund Balance, January 1, 2021	11,697,425	11,697,425	11,697,425	-
Fund Balance, December 31, 2021	\$ 10,997,292	\$ 13,367,559	\$ 13,367,559	\$ (2,370,267)

See Accompanying Notes to Financial Statements.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

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

Reporting Entity:

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

Government-wide and Fund Financial Statements:

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

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

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

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

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

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

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

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

The District reports the following major governmental fund:

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

Capital Assets:

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

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

Property Taxes:

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the same year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The District uses the Weld County Treasurer to bill and collect its property taxes. An allowance for uncollectible taxes is not provided as the uncollectible amounts were determined to be negligible. Taxes levied in December 2021 are recorded as taxes receivable and deferred revenue as of December 31, 2021.

The original January 1, 2021 levy for the General Fund of the District was 5.165 mills or approximately \$6,908,926. No funds were designated for volunteer pension contributions to FPPA in 2021.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Budget:

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

The Board is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Board through a supplemental appropriation resolution. There was a supplemental appropriation in 2021.

Net Position:

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

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

Fund Equity:

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

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

Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR emergency reserves at December 31, 2021 are \$226,681.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Fund Equity – Continued:

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

Deferred Outflows and Inflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditures) until then. The District has two items that qualifies for reporting in this category: changes in the net pension asset not included in pension expense reported in the government-wide statement of net position, and a deferred loss on debt refunding.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents and acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualifies for reporting in this category: changes in the net pension asset not included in pension expense reported in the government-wide statement of net position, and deferred property taxes.

Investment Risks:

The pension board shall have complete control and authority to invest the funds of the Plan. Funds of the Plan shall be managed and invested by the pension board of the District in accordance with the prudent investor rule and the other standards and provisions for trustees set forth in the “Colorado Uniform Prudent Investor Act”. The District has affiliated with the Fire and Police Pension Association (FPPA) of Colorado to administer the Plan.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Capital Assets:

	Balance, 1/1/21	Additions	Deletions/ Reclassification	Balance, 12/31/21
Land	\$ 399,422	\$ --	\$ --	\$399,422
Construction in Progress	--	287,669	--	287,669
Buildings and Improvements	8,874,350	121,424	--	8,995,774
Equipment and Vehicles	5,927,594	173,922	--	6,101,516
Total Capital Assets	15,201,366	583,015	--	15,784,381
Less Accumulated Depreciation:				
Building and Improvements	1,199,154	194,600	--	1,393,754
Equipment and Vehicles	2,952,997	283,347	--	3,236,344
Total Accumulated Depreciation	4,152,151	477,947	--	4,630,098
Capital Assets, net	\$11,049,215	\$ 105,068	\$ --	\$11,154,283

NOTE 3 - Cash and Investments:

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

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

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

At December 31, 2021, the District held investments of \$5,255,274 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), which is a 2a7-like investment pool. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments are valued at net asset value (NAV) with each share valued at \$1.00. COLOTRUST is rated AAA by Standard & Poor's.

At December 31, 2021, the District held investments of \$4,997,236 in the Colorado Local Government Liquid Asset Trust EDGE fund (COLOTRUST EDGE). COLOTRUST EDGE is a variable NAV fund managed to approximate a \$10.00 per share price; shares are traded at the NAV calculated on transactions trade date. COLOTRUST EDGE is rated AAAf/S1 by FitchRatings.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Volunteer Pension Plan:

The District's defined benefit pension plan for volunteers provides retirement and disability benefits and death benefits to plan members and beneficiaries. The plan is affiliated with the Fire and Police Member's Benefit Fund, an agent multiple-employer pension plan administered by the Fire and Police Pension Association (FPPA) of Colorado. Title 31, Article 30 of the Colorado Revised Statutes assigns the authority to establish and amend the benefit provisions of the plans that participate in FPPA to the respective member entities. FPPA issues a publicly available financial report that includes financial statements and required supplementary information for the Fire and Police Member's Benefit Fund. That report may be obtained by writing to FPPA, 5290 DTC Parkway, Englewood, Colorado 80111, or by calling 1-800-332-FPPA.

Contribution requirements of the District are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Districts are allowed to levy up to a 1.000 mil property tax to provide pension contributions and may also contribute other revenues. Contributions to the plan for the year ended December 31, 2021, included \$-0- from State of Colorado matching and \$-0- of property taxes levied by the District.

At December 31, 2021, pension plan membership consisted of 5 active members and 22 retired members.

At December 31, 2021, PVFPD reported an asset of \$695,898 for its net pension asset of the volunteer plan. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019.

For the year ended December 31, 2021, PVFPD recognized pension income of \$19,414. At December 31, 2021, PVFPD reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

December 31, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 19,696	\$ 27,803
Changes in assumptions	13,464	--
Net difference between projected and actual earnings on pension plan investments	67,182	231,639
Total	\$ 100,342	\$ 259,442

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Volunteer Pension Plan – Continued:

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

Year Ending December 31	Amount
2022	\$ 49,591
2023	24,616
2024	58,209
2025	26,684
	<u>\$ 159,100</u>

Actuarial assumptions: The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.5 percent
Retirement age	50% per year of eligibility until 100% at age 65
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.0 percent

Mortality rates were based on the RP-2014 Combined Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality.

At least every five years the Fire & Police Pension Association’s Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions.

The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impacted actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Effective with the January 1, 2013 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the January 1, 2014 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Volunteer Pension Plan – Continued:

The Plan's 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 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 analysis of the long-term expected rate of return, the target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Rate of Return
Cash	2%	2.32%
Fixed Income	10%	4.01%
Managed Futures	5%	5.25%
Absolute Return	10%	5.60%
Long Short	8%	6.87%
Global Equity	39%	8.23%
Private Markets	26%	10.63%
Total	100%	

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 7.0 percent.

Discount rate: The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at the actuarially recommended rates.

Sensitivity of the PVFPD net pension asset to changes in the discount rate: The following presents the net pension asset calculated using the discount rate of 7.0 percent, as well as what the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

December 31, 2021	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net pension asset	\$ 502,664	\$ 695,898	\$ 856,948

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – SWDB Plan:

Platte Valley Fire Protection District participates in the Statewide Defined Benefit (SWDB) Plan, a cost-sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado (FPPA). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan description: Eligible employees of the District are provided with pensions through the SWDB Plan - a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. FPPA issues a publicly available comprehensive annual financial report that can be obtained at www.fppaco.org

Benefits provided: A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

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

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited services may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – SWDB Plan – Continued:

Contributions: The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by State statute. Member contribution rates can be amended by State statute or election of the membership.

Members of the SWDB plan and their employers contributed at the rate of 11.5 percent and 8 percent, respectively, of base salary for a total contribution rate of 19.5 percent in 2021. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approval by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 22 percent of base salary in 2018. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

Employer contributions are recognized by the SWDB Plan in the period in which the compensation becomes payable to the member and the Platte Valley Fire Protection District is statutorily committed to pay the contributions to the SWDB Plan. Employer contributions recognized by the SWDB Plan from the District were \$169,764 for the year ended December 31, 2021.

At December 31, 2021, the District reported a asset of \$518,338 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021. The District proportion of the net pension asset was based on District contributions to the SWDB for the calendar year 2020 relative to the total contributions of participating employers to the SWDB Plan.

At December 31, 2021, the District proportion was .2 percent, which was approximately the same as its proportion measured as of December 31, 2020.

For the year ended December 31, 2021, the District recognized pension expense of \$143,044. At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – SWDB Plan – Continued:

December 31, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 439,684	\$ 2,062
Net difference between projected and actual earnings on pension plan investments	--	532,508
Changes in assumptions	220,499	--
Contributions subsequent to the measurement date	169,764	--
Total	\$ 829,947	\$ 534,570

Deferred outflows of resources related to pensions of \$169,764, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Amount
2022	\$ (58,025)
2023	10,778
2024	(78,465)
2025	11,782
2026	94,763
Thereafter	144,780
	\$ 125,613

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – SWDB Plan – Continued:

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

Actuarial method	Entry age normal
Amortization method	N/A
Amortization period	N/A
Salary increases, including wage inflation at 2.5%	4.25 – 11.25 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.0 percent
Cost of living adjustment	0.0 percent

For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.0002.

At least every five years the Fire & Police Pension Association’s Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the Fire & Police Pension Association’s actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future.

The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impacted actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Effective with the January 1, 2013 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the January 1, 2014 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – SWDB Plan – Continued:

The Plan’s 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 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 analysis of the long-term expected rate of return, the target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income	10%	4.01%
Absolute Return	10%	5.60%
Managed Futures	5%	5.25%
Cash	2%	2.32%
Total	100%	

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 7.0 percent.

Discount rate: The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at the actuarially recommended rates.

Sensitivity of the Platte Valley Fire Protection District’s proportionate share of the net pension liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

December 31, 2021	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Proportionate share of the net pension (asset) liability	\$ 521,724	\$ (518,338)	\$ (1,379,818)

Pension plan fiduciary net position: Detailed information about the SWDB’s fiduciary net position is available in FPPA’s comprehensive annual financial report which can be obtained at www.cofppa.org.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - Contingencies:

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

In 2002, the electors of the District voted to supersede TABOR and to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind, and to retain the existing mill levy of 2.415. On November 2, 2010, the electors of the District voted to increase the mill levy by 2.750 mills, to a total of 5.165 mills, for the purposes of building a fire station and increasing apparatus and staffing.

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

NOTE 7 – Governmental Long-Term Debt:

December 31	2021
\$4,405,000 Refunding Certificates of Participation (2021) due in varying installments through December 1, 2031, interest at 3.0 – 4.0%, secured by real estate	\$ 4,085,000
COP Premium	421,060
Poudre Valley Rural Electric Association (REA) loan (2014), due in monthly payments of \$8,667 at 0% interest, maturity in 2023	208,000
Total	\$ 4,714,060

The annual requirements to repay the certificates as of December 31, 2021, are as follows:

Year Ending December 31	Principal	Interest	Total
2022	\$ 335,000	\$ 163,400	\$ 498,400
2023	375,000	150,000	525,000
2024	395,000	135,000	530,000
2025	410,000	119,200	529,200
2026	425,000	102,800	527,800
2027-2031	2,145,000	184,200	2,329,200
	\$ 4,085,000	\$854,600	\$ 4,939,600

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – Governmental Long-Term Debt - Continued:

The annual requirements to repay the loan as of December 31, 2021, are as follows:

Year Ending December 31	Principal	Interest	Total
2022	\$ 104,000	--	\$ 104,000
2023	104,000	--	104,000
	\$ 208,000	\$ --	\$ 208,000

Underlying the REA loan is an annually renewable lease entered into between the District and the Platte Valley Fire District Foundation, a Colorado nonprofit corporation created to facilitate District financings for apparatus. The loan is payable solely from the rentals paid by the District, proceeds of certain insurance policies and proceeds of foreclosure on and sale of the property, if necessary. Neither the loan nor the lease gives rise to a general obligation of the District. As the chance of the lease not being renewed is remote, the loan is recorded as a long-term liability.

Changes in long-term debt during the year were as follows:

	Balance 1/1/21	Additions	Deductions	Balance 12/31/21	Due Within One Year
2012 Certificates of Participation	\$ 7,510,000	\$ --	\$ 7,510,000	\$ --	\$ --
2021 Refunding Certificates of Participation	--	4,405,000	320,000	4,085,000	335,000
COP Premium 2021	--	421,060	-	421,060	--
REA Loan	312,000	--	104,000	208,000	104,000
Total	\$ 7,822,000	\$ 4,826,060	\$ 7,934,000	\$ 4,714,060	\$ 439,000

On September 1, 2021, the District advance refunded and defeased \$7,510,000 of COP's, Series 2010 with an average interest rate of 5.0% by the issuance of \$4,405,000 COP's Series dated September 15, 2021, with an average interest rate of 3.85%, plus a payment of \$2,500,000. The defeased COP's are not considered a liability of the District since sufficient funds were deposited with a trustee and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased COP's when due.

The District reduced its aggregate debt service payments by approximately \$6,000,000 over the next 24 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$3,600,000. The District incurred a cost of refunding in the amount of \$107,309, charged to operations.

PLATTE VALLEY FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – Reconciliation Between General Fund Balance Sheet and the Statement of Net Position:

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

December 31, 2021

Fund balance of General Fund	\$10,997,292
Capital assets used in governmental activities are not financial resources and therefore are not reported in the General Fund	11,154,283
Net pension asset	1,214,236
Deferred inflows and outflows for pensions	136,277
Deferred inflows for loss on debt refunding	329,479
Long-term COP's and loans are not due and payable in the current period and therefore are not reported in the General Fund	(4,714,060)
Total Net Position	\$19,117,507

NOTE 9 – Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the General Fund to the Statement of Activities:

Year Ended December 31, 2021

Net change in fund balance – General Fund	\$ (700,133)
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Amounts reported for *governmental activities* in the statement of activities are different because:

The General Fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year.

	105,068
--	---------

The repayment of the principal of long-term debt consumes the current financial resources of the General Fund. Additional long-term debt provides resources. However, this transaction has no effect on net position. This amount is the net effect of these differences.

	3,437,250
--	-----------

The General Fund reports District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned is reported as pension expense.

	56,332
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Change in Net Position of Governmental Activities	\$2,898,517
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PLATTE VALLEY FIRE PROTECTION DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Contributions - Volunteer Plan

Year Ended December 31	Actuarially Required Contributions	Contributions Made
2021	\$ -	\$ -
2020	-	-
2019	-	-
2018	-	-
2017	-	-
2016	-	-

Methods and Assumptions Used:

Actuarial cost method: Entry age
 Amortization method: Level dollar-open
 Remaining amortization period: 20 years
 Asset valuation method: 5 year
 smoothed fair value
 Inflation: 2.5%
 Benefit increase: None
 Investment return: 7.0%

Schedule of Changes in Net Pension Asset - Volunteer Plan

December 31	2021	2020	2019	2018	2017
Total Pension Liability:					
Annual Service Cost	\$ 5,558	\$ 5,558	\$ 19,036	\$ 19,036	\$ 34,050
Interest on the Total Pension Liability	119,352	120,342	135,877	134,711	114,820
Difference between expected experience and actual	-	-	(170,798)	-	209,080
Change of Assumptions	43,387	-	68,969	-	50,211
Benefit Payments	(142,200)	(137,965)	(139,825)	(136,640)	(134,550)
Total Pension Liability - Beginning	1,772,193	1,784,258	1,870,999	1,853,892	1,580,281
Total Pension Liability - Ending	\$ 1,798,290	\$ 1,772,193	\$ 1,784,258	\$ 1,870,999	\$ 1,853,892
Plan Fiduciary Net Position:					
Contributions - District	\$ -	\$ -	\$ -	\$ -	\$ -
Net Investment Income	292,824	305,975	1,985	309,458	114,123
Administrative Costs	(6,721)	(9,876)	(8,819)	(10,121)	(3,681)
Benefit Payments	(142,200)	(137,965)	(139,825)	(136,640)	(134,550)
Net Change	143,903	158,134	(146,659)	162,697	(24,108)
Plan Fiduciary Net Position - Beginning	2,350,285	2,192,151	2,338,810	2,176,113	2,200,221
Plan Fiduciary Net Position - Ending	\$ 2,494,188	\$ 2,350,285	\$ 2,192,151	\$ 2,338,810	\$ 2,176,113
District Net Pension Asset	\$ 695,898	\$ 578,092	\$ 407,893	\$ 467,811	\$ 322,221
Percentage of Net Pension Asset	139%	133%	123%	125%	117%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

PLATTE VALLEY FIRE PROTECTION DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION ASSET - STATEWIDE DEFINED BENEFIT PLAN

Year Ended December 31	Cumulative Proportion of Net Pension Asset	Cumulative Proportionate Share (Liability)	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Total Pension Liability
2021	0.2%	\$ 518,338	\$ 2,122,050	24.4%	107%
2020	0.2%	134,265	1,838,525	7.3%	102%
2019	0.2%	(290,783)	1,828,512	15.9%	95%
2018	0.2%	330,891	1,541,700	21.4%	106%
2017	0.2%	(86,721)	1,344,550	24.6%	98%
2016	0.2%	(3,525)	1,329,609	6.5%	100%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

PLATTE VALLEY FIRE PROTECTION DISTRICT

**SCHEDULE OF EMPLOYER CONTRIBUTIONS -
STATEWIDE DEFINED BENEFIT PLAN**

Year Ended December 31	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2021	\$ 169,764	\$ 169,764	\$ 2,122,050	8.0%
2020	147,082	147,082	1,838,525	8.0%
2019	146,281	146,281	1,828,512	8.0%
2018	123,336	123,336	1,541,700	8.0%
2017	107,564	107,564	1,344,550	8.0%
2016	99,759	99,759	1,329,609	7.5%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.