

DURANGO FIRE PROTECTION DISTRICT DURANGO, COLORADO



2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Prepared by the Management
of the Durango Fire Protection District
for the year ending December, 31, 2024

**DURANGO FIRE PROTECTION DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended December 31, 2024**

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INTRODUCTORY SECTION



June 27th, 2025

To the Durango Fire Protection District Board of Directors, Durango City Council 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 annual comprehensive financial report of the Durango Fire Protection District for the fiscal year ended December 31, 2024.

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 of 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, 2024, 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, 2024, 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

The Durango Fire Protection District is located in southwest Colorado in La Plata County and has a service area extending from the New Mexico state line approximately 55 miles north mainly along US Highway 550, and east/west on US Highway 160. The District surrounds the City of Durango, which is served via contract, but is not in the District proper.

The Durango Fire Protection District began service on January 1, 2014, taking over the provision of fire and emergency services from the Durango Fire & Rescue Authority (DFRA). DFRA was formed in January 2002, through an intergovernmental agreement between the City of Durango, Animas Fire Protection District, Hermosa Cliff Fire Protection District and also included the absorption of the Mercy Hospital Paramedic Ambulance system.

In 2013, after a little over five years of work to implement, a single fire protection district was created and funded with a 15-year contract with the City of Durango. This concept was overwhelmingly approved by the voters of the



Durango Fire Protection District
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Fax: 970 382-6028

Fire Districts and the City, and the Durango Fire & Rescue Authority, Animas Fire Protection District, and Hermosa Cliff Fire Protection District were all dissolved and all assets were transferred to DFPD.

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

These services are provided to a full-time population in excess of 40,000 people in 325 square miles of southwest Colorado. The Durango Fire Protection District is funded by 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 more than the amount of actual revenues exceeding budgeted revenues and unappropriated 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 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 a 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

La Plata County and the City of Durango have experienced steady population growth over the last 10 years with the population of the county increasing 7% and the population of the city increasing 12% since 2012. In the same time period, per capita personal income has increased by 42% and the median home price in the county has doubled reaching \$769,000 in 2023. At the end of 2023, the unemployment rate in La Plata County was 3.0%.

Durango is the largest town in La Plata County and is a regional destination for shopping and entertainment 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 area is also a regional, national, and international tourist destination with well known tourist attractions such as the Durango-Silverton Narrow Gauge Railroad and Mesa Verde National Park, numerous opportunities for outdoor recreation, and a ski area. Fort Lewis College Department of Economics has estimated that tourism generates approximately 27% of all economic activity in La Plata County.



La Plata County suffered a similar slowdown to many other areas due to Covid, however; the years since have seen an increase in housing demand potentially due to the attractiveness of the area related to higher population areas.

History of Our Finances

Property taxes are one of the major sources of revenue for the District and the fees paid by the City of Durango for fire protection and emergency services are based on property valuations. 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 City residents approved the increase in property tax of 2.5 mills to supplement the 5.7 paid by the City from the General Fund.

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. It also allowed us to increase staffing levels and bring pay rates for employees closer in line with state averages. 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 2022, La Plata County and the portion of our district within San Juan County followed suit imposing Impact Fees. In 2024, a state law changed to allow the fire district to impose the fees instead of going through the city or counties. DFPD notified each county of the change and now collects the fees directly.

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. Fire Station 3 was started in 2018 and completed in 2020. This project was followed directly by the construction of a new fire training facility which was completed in 2021.

Current Projects

We are currently under construction to replace the downtown fire station with a new, safe and modern firehouse, for \$12.5M. It will be the third capital project since the mill levy increased. The station will be funded via Certificates of Participation, with semi-annual payments payable over 15 years. This is the first lease financing by DFPD, and we were fortunate to get a great interest rate of 3.77%. This project allows us to continue with our Capital Improvement Plan, replacing aged and outdated vehicles. As of the date of this letter, phase I is complete and the crews are moved in. The project is slated for completion in October of 2025.

For rolling stock, we have ordered or replaced all of our front-line fire engines. The final engines should arrive in late 2024 and early 2025. That will set us up for a standard engine setup and response, with current, manufacturer supported fire engines. In addition, we have been purchasing one ambulance per year to maintain our fleet. The ambulances get much higher miles put on them than fire apparatus, due to transports to the ER from medical calls, as well as responding on most fire calls.

Major Initiatives

In the near future, we have a need for a new fire station and crew in the Three Springs area. With the realignment of Highway 550 and the increase in development and call volume in the area, it is already creating a demand for service that justifies a paid crew. We own a piece of property and have the building generally designed. We need to identify the funding for the building and the crew, as neither fit in our current budget or revenue stream.

Two of our four ladder trucks are 28 years old, with the third being a recent purchase in 2021 and the fourth purchased in the fall of 2024. Although our Fleet/Facility department does an amazing job keeping the trucks



running and passing both the UL Ladder test and the annual pump test, they are getting harder to keep in service due to a lack of support and parts from the manufacturer. Our organization should have, by ISO standards, 4 ladder trucks with one spare. We do not have the funding to support that inventory.

The District has been experiencing the same staffing issues faced by many other fire departments. The combination of high and increasing housing costs in the area with the inability to match pay rates with fire departments in larger metropolitan areas has made it difficult to get to and maintain full staffing. The strong inflation of the past few years has put tremendous pressure not only on capital costs but also operating costs

There will continue to be pressure on revenues as the assessment rates for property tax are constantly being reduced by the State legislature. In the interest of "lowering taxes" they are reducing our revenue towards unsustainable levels. This decline was partially offset by increases in market valuations in 2023 and new construction, but the reductions are continuing each legislative session and in elections. Durango Fire is currently working with our Board of Directors and Durango City Council to identify the correct funding source soon to address the demands for service in our growing town and allow us to continue to provide excellent service to our community.

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 annual comprehensive financial report for the fiscal years ended December 31, 2002 – 2006 then in 2010 – 2023. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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 blue ink that reads "Randy Black".

Randy Black,
Fire Chief

A handwritten signature in blue ink that reads "Eric Baker".

Eric Baker,
Finance Director



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

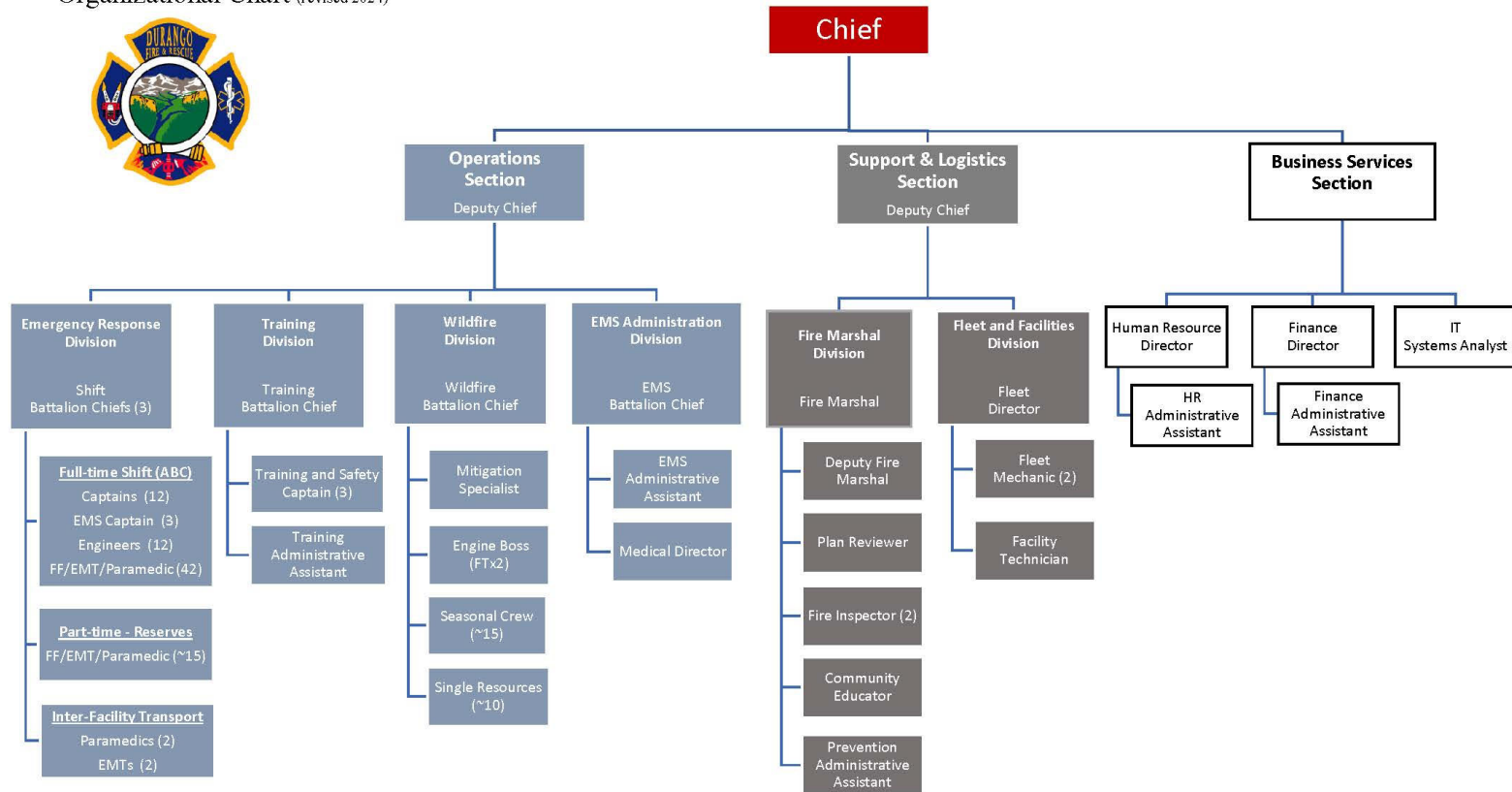
December 31, 2023

Christopher P. Morill

Executive Director/CEO

Durango Fire & Rescue

Organizational Chart (revised 2024)



DURANGO FIRE PROTECTION DISTRICT 2024 ELECTED OFFICIALS

DURANGO FIRE PROTECTION DISTRICT BOARD

Karen Barger, Chairperson

John Dezendorf

Rob Farino

Samantha Gallagher

Steve List

Tina McCallum

Lyle McKnight

DURANGO FIRE PROTECTION PENSION BOARD

Karen Barger, Chairperson

Jameson Bobbin

John Dezendorf

Rob Farino

Samantha Gallagher

Steve List

Bill Luthy

Tina McCallum

Lyle McKnight

OUR CONTRACTING PARTNER 2024 ELECTED OFFICIALS

CITY OF DURANGO

Melissa Youssef, Mayor

Olivier Bosmans

Jessika Buell

Gilda Yazzie

Dave Woodruff

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 year ended December 31, 2024 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 and each major fund of Durango Fire Protection District, as of December 31, 2024 and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year 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 Auditors' 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, and for 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.

Auditors' 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 auditors' 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise Durango Fire Protection District's basic financial statements. 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Sincerely,



Littleton, Colorado
June 27, 2025

DURANGO FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2024

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, 2024. 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, 2024 by \$35,525,045 (net position).
- The net position increased by \$5,357,062 during 2024, compared to an increase of \$1,951,359 during 2023.
- Total revenues for the year ended December 31, 2024 were \$24,881,938 compared to total revenue of \$19,032,306 in 2023.
- The Fund Balance increased by a total of \$9,236,130 during 2024 and was \$6,891,326 as of December 31, 2023.

The underlying reasons for the changes in the above financial highlights are explained in detail in the "financial analysis" section of this document.

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 21 - 23 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

DURANGO FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2024

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 24 through 27 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 29 through 65 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 66 through 69 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 28 and 70 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 \$35,525,450 at the close of the most recent fiscal year. The overall net position increased by \$5,357,062 (17.8%). By far the largest portion of the District's net position (88%) is its net investment in capital assets which increased from \$23,633,218 at December 31, 2023 to \$27,463,623 at December 31, 2024. This involved additions in capital assets of \$9,698,106, retirement and sales of assets of \$2,325,956; and depreciation expense of \$1,487,066 with a decrease in accumulated depreciation of \$1,689,843 related to disposed assets. This was another year of significant investment in capital during

DURANGO FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2024

2024 as part of our long-term capital replacement plan. These assets include apparatus, vehicles, leasehold improvements, buildings, land, equipment and construction in progress of \$6,184,377 which is the work done through December 31, 2024 on Station 2. The District used these capital assets to provide service and consequently, these assets are not available to liquidate liabilities or for other spending.

An increase in the fiduciary net position of DFPD pensions, driven by strong investment returns during 2023, drove some of change in the statement of net position year over year. Deferred outflows related to pensions decreased by \$1,253,918, net pension liability decreased by \$1,368,104, and deferred inflows related to pensions declined by \$504,712 improving the net position by \$618,898 during 2024. The remainder of the improvement of the net position was driven by strong revenue growth relative to the increase in expenditures. These increases are discussed below.

Unrestricted net position decreased from \$5,497,422 at December 31, 2023 to (\$1,420,867) at December 31, 2024 and restricted net position increased from \$1,037,343 at December 31, 2023 to \$9,482,289 at December 31, 2024. The restricted net position consists of \$970,891 is restricted for emergency reserves and \$8,511,398 for capital projects related to Station 2.

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

	<u>2024</u>	<u>2023</u> <u>as restated</u>
Current assets	\$ 25,690,199	\$ 16,256,461
Capital assets	31,208,145	23,633,218
Net pension assets	-	-
Total assets	56,898,344	39,889,679
 Deferred outflow of resources	 4,888,324	 6,149,007
Total assets and deferred outflow of resources	61,786,668	46,038,686
 Current liabilities	 2,690,534	 1,115,924
Noncurrent liabilities	15,214,843	5,461,264
Total liabilities	17,905,377	6,577,188
 Deferred inflow of resources	 8,356,246	 9,293,515
 Net position		
Net investment in capital assets	27,463,623	23,633,218
Restricted	9,482,289	1,037,343
Unrestricted	(1,420,867)	5,497,422

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 2024 shows expenses of \$19,524,876 with a net expense (after charges for services and grants) of \$11,283,091. Total general revenues were \$16,640,153, leaving a change in net position of \$5,357,062. This is an

DURANGO FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2024

increase of \$3,405,703 from the change in net position of \$1,951,359. This change is also related to increases in revenue.

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

	<u>2024</u>	<u>2023</u> <u>as restated</u>
General Revenue:		
Property taxes	\$ 6,677,079	\$ 5,174,783
Specific ownership taxes	1,050,037	1,019,568
Contract with City of Durango	5,828,264	4,910,344
Other local taxes	44,683	29,948
Interest	761,922	298,779
Other	<u>2,278,168</u>	<u>211,007</u>
Total General Revenue	<u>\$ 16,640,153</u>	<u>\$ 11,644,429</u>
Program Revenue:		
Charges for services	6,641,792	5,715,422
Operating Grants and contributions	300,258	119,589
Capital Grants and contributions	1,299,735	1,418,353
Gain on sale of assets	<u>-</u>	<u>134,513</u>
Total Program Revenue	<u>8,241,785</u>	<u>7,387,877</u>
Total Revenue	<u>24,881,938</u>	<u>19,032,306</u>
Expenses:		
Public safety	<u>19,524,876</u>	<u>17,080,947</u>
Total Expenses	<u>19,524,876</u>	<u>17,080,947</u>
Changes in Net Position	5,357,062	1,951,359
Net Position - Beginning of Year	<u>30,167,983</u>	<u>28,216,624</u>
Net Position - End of Year	<u>\$ 35,525,045</u>	<u>\$ 30,167,983</u>

Statement of revenues, expenditures, and changes in fund balance: In fiscal year 2024, the District had a deficiency of revenues over expenditures of \$4,598,045 before other financing sources and uses compared to a deficiency of \$2,776,384 in 2023. This was made up of an excess of revenues over expenditures of \$3,764,565 in the general fund and a deficiency of \$8,362,610 in the Capital Projects Fund.

After a transfer of \$2,200,000 to the Capital Projects Fund, the General Fund had an increase of \$1,564,565 and the Capital Projects Fund had an increase of \$7,671,565 after receiving the transfer from the General Fund plus funds from the sale of the real property at 104 Sheppard Drive and the funds from the lease-leaseback transaction of \$12,500,000. The property at 104 Sheppard Drive was sold to Durango School District 9-R and as part of the transaction was an agreement to forgive the remaining unearned in-kind benefit liability. The 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

DURANGO FIRE PROTECTION DISTRICT
Management's Discussion and Analysis
Year Ended December 31, 2024

investing in fire stations. These capital investment will continue into 2025 with the completion of construction on Station 2, although the replacement of vehicles will slow considerably.

Expenses for general operations increased by 12.8% during 2024 with the largest increase in Fire fighting due to an increase in response staffing for 2024. Durango Fire also has been feeling the effects of inflation putting pressure on all costs from fuel to medical supplies and has also been pushed to increase pay rates in order to attract qualified personnel experiencing a great deal of competition with agencies in larger cities who are able to afford high pay structures consequently pay rates were increased in 2024 by an average of 5%.

Although costs increased revenues increased by an even greater amount, 20.6%, during 2024. Property taxes increased from \$5,174,783 in 2023 to \$6,677,079 in 2024, an increase of 29%. This was a reassessment year and assessed values increased by 19%. The increase in assessed values was driven by an increase in the actual value of real property driven by increased market values. The assessment rates remained at lower than normal rates due to legislation from the Colorado state legislature. Residential property, which makes up 54% of the total assessed value, increased by 19%, vacant land at 21% of total value increased by 21%, and oil and gas at 20% of total value increased by 33%. The increase in valuation for oil and gas was the result of increased production. Revenue from the contract with the City of Durango increased by \$917,920. The fees under this contract are tied to assessed values within the City so similar increases drove that increase. The City has no oil and gas production within its boundaries but they have a greater percentage of commercial properties. The lack of oil and gas plus the higher percentage of commercial properties which increased at a lower rate (9%) kept the increase in the City lower than that of the District at 19%. Ambulance income saw an increase of \$884,482 which was mostly due to an increase in 2024 of the rates charged for ambulance service. The EMS Supplemental Payment received from the Colorado Department of Health Care Policy & Financing increase from \$1,500,972 in 2023 compared to \$1,704,331 in 2024. The EMS supplemental payment is designed to reimburse ambulance providers of the cost of providing service to Medicaid beneficiaries. The increase in the supplemental payment is reflective of an increasing proportion of the ambulance services being provided to Medicaid recipients. Rising interest rates and additional cash on hand from financing proceeds provided an additional \$463,144 in interest income in 2024

Material Changes

During 2024 Durango Fire Protection District issued certificates of participation in the amount of \$12,500,00 for the purpose of constructing a new downtown fire station at 1235 Camino del Rio. A lease-leaseback agreement was reached with JP Morgan Chase Bank for a fifteen year lease at 3.77%.

Capital Assets and Long-term Debt

Capital Assets. The District's net investment in capital assets as of December 31, 2024 is \$27,463,623. This is an increase of \$3,830,405, 16%, from December 31, 2023. Major capital asset events during the current fiscal year included the following:

- (1) Pierce Enforcer PUC Pumper
- (1) Pierce Freightliner 4X4 Pumper
- (1) Pierce Enforcer 107' Ladder Truck
- (3) MTS Power Pro Cots with Power Load

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- (1) Verm2024 Ford F250 XLT Truck
- (1) Ford Expedition
- New roof and HVAC at 103 Sheppard Drive
- Sale of property at 104 Sheppard Drive

Additional information on the District's capital assets can be found in Note 4 on page 35 of this report.

Long Term Obligations: As of December 31, 2024 the District had a lease-leaseback obligation in the amount of \$12,255,920. Additional information on the District's long term obligations can be found in Note 14 on page 64 of this report.

Budget Analysis

Actual expenditures were \$237,725 below budgeted for the General Fund and \$5,463,404 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
STATEMENT OF NET POSITION
December 31, 2024

	Governmental Activities
Current Assets	
Cash	\$ 8,906,773
Investments - ColoTrust	5,944,609
Investments - CDs	499,240
Receivables:	
Due from County Treasurer	234,026
Property taxes receivable	5,880,280
Leases receivable	2,406,817
Ambulance receivables, net	1,059,593
Intergovernmental receivables	598,917
Other receivables	159,945
Total current assets	25,690,199
Noncurrent Assets	
Capital Assets	
Construction in progress	6,184,377
Non-depreciable assets - Building	2,820,169
Land	2,082,040
Vehicles	18,397,475
Equipment	4,157,614
Building	13,688,216
Accumulated depreciation	(16,121,746)
Capital assets, net	31,208,145
Total noncurrent assets	31,208,145
Total assets	56,898,344
Deferred Outflows of Resources	
Deferred outflows related to pension	4,864,560
Deferred outflows related to OPEB	23,764
Total deferred outflows of resources	4,888,324
Total assets and deferred outflows of resources	\$ 61,786,668

**DURANGO FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION (CONT'D)
December 31, 2024**

	Governmental Activities
Current Liabilities	
Accounts payable	\$ 938,234
Accrued payroll	359,728
Accrued interest	38,504
Lease-lease back liability - short term	620,971
Accrued compensated balances	720,843
Other liabilities	12,254
Total current liabilities	<u>2,690,534</u>
Noncurrent Liabilities	
Lease-lease back liability	11,634,949
Net pension liability	2,394,721
Net OPEB liability	108,906
Accrued compensated balances	1,076,267
Total noncurrent liabilities	<u>15,214,843</u>
Total liabilities	<u>17,905,377</u>
Deferred Inflows of Resources	
Deferred property tax revenue	5,880,280
Deferred inflows related to leases	2,372,247
Deferred inflows related to pension	61,423
Deferred inflows related to OPEB	42,296
Total deferred inflows of resources	<u>8,356,246</u>
Net Position	
Net investment in capital assets	27,463,623
Restricted for:	
TABOR Amendment	970,891
Capital projects	8,511,398
Unrestricted	(1,420,867)
Total net position	<u>35,525,045</u>
Total Liabilities Deferred outflows of resources and Net Position	<u>\$ 61,786,668</u>

See accompanying notes.

**DURANGO FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS BALANCE SHEET
December 31, 2024**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 395,375	\$ 8,511,398	\$ 8,906,773
Investments - ColoTrust	4,054,849	1,889,760	5,944,609
Investments - CDs	499,240	-	499,240
Receivables:			
Due from County Treasurer	234,026	-	234,026
Property taxes receivable	5,880,280	-	5,880,280
Leases receivable	-	2,406,817	2,406,817
Ambulance receivables, net	1,059,593	-	1,059,593
Intergovernmental receivables	598,917	-	598,917
Due from General Fund	1,019,435	-	1,019,435
Prepaid and other current assets	140,956	18,989	159,945
Total assets	<u>\$ 13,882,670</u>	<u>\$ 12,826,964</u>	<u>\$ 26,709,635</u>
Liabilities			
Accounts payable	\$ 263,764	\$ 674,470	\$ 938,234
Accrued payroll	359,728	-	359,728
Payable to Capital Projects Fund	-	1,019,435	1,019,435
Other liabilities	12,254	-	12,254
Total liabilities	<u>635,746</u>	<u>1,693,905</u>	<u>2,329,651</u>
Deferred Inflows of Resources			
Deferred property tax revenue	5,880,280	-	\$ 5,880,280
Deferred inflows related to leases	-	2,372,247	\$ 2,372,247
Total deferred inflow of resources	<u>5,880,280</u>	<u>2,372,247</u>	<u>8,252,527</u>
Fund Balance			
Restricted for:			
Emergency reserves	\$ 970,891	-	\$ 970,891
Capital projects	-	8,511,398	8,511,398
Committed for:			
Capital projects	200,000	249,413	449,413
Unassigned	6,195,754	-	6,195,754
Total fund balance	<u>7,366,645</u>	<u>8,760,811</u>	<u>16,127,456</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 13,882,670</u>	<u>\$ 12,826,964</u>	<u>\$ 26,709,635</u>

**DURANGO FIRE PROTECTION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
WITH THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2024**

Fund Balances - Total Governmental Funds \$ 16,127,456

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	47,329,891	
Less accumulated depreciation	<u>(16,121,746)</u>	31,208,145

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		4,864,560
Deferred outflows related to OPEB		23,764
Deferred inflows related to pension		(61,423)
Deferred inflows related to OPEB		(42,296)

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 liabilities		(2,394,721)
Net OPEB liability		(108,906)
Compensated absences		(1,797,110)
Unearned in-kind benefits		(12,255,920)
Accrued interest		(38,504)

Net position of governmental activities \$ 35,525,045

See accompanying notes.

**DURANGO FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024**

	General Fund	Capital Projects Fund	Total
Revenues			
Property taxes	\$ 6,677,079	\$ -	6,677,079
Specific ownership taxes	1,050,037	-	1,050,037
Contract with City of Durango	5,828,264	-	5,828,264
Other local taxes	44,683	-	44,683
Other revenues			
Ambulance income, net	5,230,753		5,230,753
Fees for services	1,411,039	-	1,411,039
Impact Fees	-	581,901	581,901
Grants	300,258	114,037	414,295
City of Durango contribution for capital	-	272,052	272,052
Rental Income	-	235,733	235,733
Interest from leases	-	96,012	96,012
Interest Income	329,735	432,187	761,922
Miscellaneous income	51,121	-	51,121
Total revenues	<u>20,922,969</u>	<u>1,731,922</u>	<u>22,654,891</u>
Expenditures			
General government			
Fire administration	2,513,107	-	2,513,107
Fire fighting	7,367,942	-	7,367,942
Fire prevention	772,854	-	772,854
Fire training	806,667	-	806,667
Fire communications	310,673	-	310,673
Fire repair services	605,021	-	605,021
Emergency medical services	4,274,170	-	4,274,170
Stations and buildings	365,785	-	365,785
Capital outlay	142,185	9,555,921	9,698,106
Lease -lease back principal	-	244,080	244,080
Lease-lease back interest	-	294,531	294,531
Total Expenditures	<u>17,158,404</u>	<u>10,094,532</u>	<u>27,252,936</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,764,565</u>	<u>(8,362,610)</u>	<u>(4,598,045)</u>
Other financing sources and (uses)			
Transfers in (out)	(2,200,000)	2,200,000	-
Lease-lease back proceeds	-	12,500,000	12,500,000
Sale of assets	-	1,334,176	1,334,176
Total other financing sources and (uses)	<u>(2,200,000)</u>	<u>16,034,176</u>	<u>13,834,176</u>
Net Change in fund balance	1,564,565	7,671,565	9,236,130
Fund balance - Beginning of Year	5,802,080	1,089,246	6,891,326
Fund balance - End of Year	<u>\$ 7,366,645</u>	<u>\$ 8,760,811</u>	<u>\$ 16,127,456</u>

See accompanying notes.

**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, 2024**

Net change in fund balance - total governmental funds \$ 9,236,130

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	9,061,994
Depreciation expense	(1,487,067)

Some revenues reported in the statement of activities are not available to pay for current period expenditures, therefore, are not reported as revenues in governmental funds.

Reduction of deferred revenue for forgiven in-kind services	250,000
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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	1,183,080
Net Pension and OPEB income/expense related to changes in pension assets, liabilities, deferred inflows, and deferred outflows	(540,208)

Lease-leaseback proceeds provide current financial resources to governmental funds, but issuing increases long-term liabilities in the Statement of Net Position. Repayment of lease-leaseback is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position.

Issuance of lease-leaseback agreement	(12,500,000)
Payment of principal on lease-leaseback	244,080

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

Accrued interest on long-term liabilities	(38,504)
Compensated absences	(52,443)

Change in net position of governmental activities \$ 5,357,062

See accompanying notes.

DURANGO FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 6,458,353	\$ 6,458,353	\$ 6,677,079	\$ 218,726
Specific ownership taxes	1,000,000	1,000,000	1,050,037	50,037
Contract with City of Durango	5,735,059	5,735,059	5,828,264	93,205
Other local taxes	15,000	15,000	44,683	29,683
Other revenues				
Ambulance income	6,730,000	9,930,000	10,142,736	212,736
Fees for services	870,000	1,270,000	1,411,039	141,039
Grants	256,000	256,000	300,258	44,258
Interest	240,000	240,000	329,735	89,735
Miscellaneous income	60,500	60,500	51,121	(9,379)
Total revenues	<u>21,364,912</u>	<u>24,964,912</u>	<u>25,834,952</u>	<u>870,040</u>
Expenditures				
General government				
Fire administration	2,297,690	2,497,690	2,513,107	(15,417)
Fire fighting	6,532,500	6,982,500	7,367,942	(385,442)
Fire prevention	768,600	768,600	772,854	(4,254)
Fire training	856,100	856,100	806,667	49,433
Fire communications	212,002	362,002	310,673	51,329
Fire repair services	618,700	618,700	605,021	13,679
Emergency medical services	7,866,520	9,666,520	9,186,153	480,367
Stations and buildings	356,000	356,000	365,785	(9,785)
Capital outlay	-	-	142,185	(142,185)
Contingency	200,000	200,000	-	200,000
Transfer to capital projects fund	1,200,000	2,200,000	2,200,000	-
Total Expenditures	<u>20,908,112</u>	<u>24,508,112</u>	<u>24,270,387</u>	<u>237,725</u>
Excess of revenues over (under) expenditures	<u>456,800</u>	<u>456,800</u>	<u>1,564,565</u>	<u>1,107,765</u>
Net change in fund balance	<u>456,800</u>	<u>456,800</u>	<u>1,564,565</u>	<u>1,107,765</u>
Fund balance - Beginning of Year			5,802,080	
Fund balance - End of Year			<u>\$ 7,366,645</u>	

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

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 8.2 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 8.2 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 HCFPD 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.

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 Three is located in north Durango on

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

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 four 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, 2024

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 Balance - 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. The general fund is the only fund that reports a positive unassigned fund balance amount.

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

District. These assets have been valued at historical cost less accumulated depreciation at the date of transfer.

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.

DURANGO FIRE PROTECTION DISTRICT
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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 may not be in excess of available revenues and beginning fund balance. The Board of Directors made two additional appropriations in 2023.

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 the following statements with a 2024 implementation: Implementation Guide No. 2023-1, "Implementation Guidance Update—2023." – No impact

Statements with a 2025 implementation: No. 102, "Certain Risk Disclosures." – No impact

During the current year, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

During the current year, the Durango Fire Protection District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This statement, issued in June 2022, establishes new recognition and measurement criteria for compensated absences, including both vacation and certain types of sick leave. In addition to the value of unused vacation time owed to employees upon separation of employment, the Durango Fire Protection District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized in footnote 15 "Restatement - GASB 101 implementation".

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, 2024, the District's cash deposits had a book balance of \$8,906,773 and a corresponding bank balance of \$8,906,522. 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, \$500,000 was covered by federal depository insurance. The remainder of the bank balance, \$8,370,522 was collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by PDPA.

Investments – At December 31, 2024 the District had investments of \$6,013,969 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, 2024 the District had investments in a

DURANGO FIRE PROTECTION DISTRICT
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Colotrust Plus+ pool of \$5,944,609 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	\$ 499,240	\$ -	\$ 499,240	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 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:

	<u>2024</u>
National Wildland Fires	\$ 469,765
Federal grants receivable	\$ 5,818
City of Durango - SOT Calculation	<u>123,334</u>
Totals	<u>\$ 598,917</u>

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Note 4 – Capital Assets

Capital assets are summarized as follows:

	<u>January 1, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>December 31, 2024</u>
Depreciable assets				
Vehicles	\$ 15,730,046	\$ 3,299,677	\$ (632,248)	\$ 18,397,475
Equipment	4,785,502	165,820	(793,708)	4,157,614
Buildings and leasehold improvements	13,830,279	407,937	(550,000)	13,688,216
Non-depreciable assets				
Land	2,432,040	-	(350,000)	2,082,040
Construction in progress	359,705	5,824,672	-	6,184,377
Non-depreciable assets - Building	2,820,169	-	-	2,820,169
	<u>39,957,741</u>	<u>9,698,106</u>	<u>(2,325,956)</u>	<u>47,329,891</u>
Accumulated depreciation				
Vehicles	(9,263,232)	(756,873)	632,248	(9,387,857)
Equipment	(3,107,096)	(398,646)	793,708	(2,712,034)
Buildings and leasehold improvements	(3,954,195)	(331,547)	263,887	(4,021,855)
	<u>(16,324,523)</u>	<u>(1,487,066)</u>	<u>1,689,843</u>	<u>(16,121,746)</u>
Total capital assets	<u>\$ 23,633,218</u>	<u>\$ 8,211,040</u>	<u>\$ (636,113)</u>	<u>\$ 31,208,145</u>

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 and was not put into service in 2022. A portion of the purchase price (\$1,943,750) was a consideration of in-kind benefits. The amount of the in-kind benefits was included in the value of the asset and a liability was booked for the same amount. Revenue in the amount of \$952,750 was recognized in 2022, and revenue of \$112,750 was recognized in 2023. This revenue came from the performance of in-kind benefits of parking, use of conference rooms, and safety walk throughs exchanged in the original transaction. In addition there was a revaluation of the value of the in kind benefits reducing the value of the asset and the liability by \$628,500, which reduced the deferred in-kind benefits liability to \$250,000 as of December 31, 2023 and during the current year, the in-kind benefit liability was forgiven and subsequent derecognized reducing this liability to \$0.

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

DURANGO FIRE PROTECTION DISTRICT
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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.

In the Statement of Net Position, all net pension liabilities have been aggregated and reported as follows:

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Volunteer Plan	\$ 0	\$ 824,226	\$ 426,409	\$ 0
FPPA Plan	0	0	3,606,706	57,841
PERA Plan	<u>0</u>	<u>1,570,495</u>	<u>831,444</u>	<u>3,581</u>
Total	\$ 0	\$ 2,394,721	\$ 4,864,560	\$ 61,423

As of December 31, 2024, the deferred inflows and outflows of resources resulting from all pension plans are comprised as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,288,842	\$ 59,454
Changes of assumptions or other inputs	698,282	-
Net difference between projected and actual earning on plan investments	1,549,256	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	164,214	1,968
Contributions subsequent to the measurement date	<u>1,163,965</u>	<u>-</u>
Total	\$ 4,864,560	\$ 61,423

Deferred outflows of resources of \$1,163,965, 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:

Year ended December 31:

2025	\$	580,509
2026		973,006
2027		1,556,662
2028		11
2029		189,990
Thereafter		<u>338,993</u>
Total	\$	<u>3,639,171</u>

The total pension plan expense for 2024 was \$545,067.

DURANGO FIRE PROTECTION DISTRICT
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Volunteer Plan

Plan description. The District has established the Volunteer Firefighters' Pension Plan (the "Plan"). As of January 1, 2023, the actuarial valuation date the Plan had 92 retirees and beneficiaries, 6 inactive, nonretired members, and 21 active members.

The Fire & Police Pension Association (FPPA) administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available annual comprehensive financial report that can be obtained at <http://www.FPPAco.org>. Once in the site, locate the site map at the bottom of the web page and you will find the 'Annual Report' link.

Benefits provided. Any firefighter who has both attained the age of 50 and completed 20 years of active service shall be eligible for a monthly pension. Pro rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service. A firefighter, who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity which extends beyond one year, shall be compensated in an amount determined by the Pension Board. The Plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute.

Funding Policy. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023 determined the contribution amounts for 2024.

For the measurement periods ended December 31, 2024, the District contributed \$200,000 and the State of Colorado contributed \$38,552 towards meeting the unfunded liability.

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

At December 31, 2024, the District reported a net pension liability of \$824,226, the liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023, and a measurement date of December 31, 2023. The measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2024 and may be used for December 31, 2024 reporting purposes.

For the year ended December 31, 2024, the District recognized pension expense related to this plan of \$57,248. At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earning on plan investments	\$ 226,409	\$ -
Contributions subsequent to the measurement date	<u>\$ 200,000</u>	<u>\$ -</u>
Total	\$ 426,409	\$ -

The \$200,000 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended December 31:

2025		\$	14,576
2026			75,143
2027			166,258
2028			(29,568)
2029			-
Thereafter			-
Total			<u>226,409</u>

Actuarial assumptions: The actuarial assumptions are associated with the Actuarially Determined Contribution for the Fiscal Year Ending December 31, 2023. The actuarial assumptions were changed for the Actuarial Valuation as of January 1, 2023 and as such, the Total Pension Liability was measured using those assumptions as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar Open
Remaining Amortization Period	20 years
Asset valuation Period	5-year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	<p>Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.</p> <p>Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p> <p>Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the sale for all years.</p>

Discount rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits)

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and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

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. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	1.00%	3.92%
Fixed Income-Rates	10.00%	5.45%
Fixed Income-Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Long Short	6.00%	7.47%
Global Equity	35.00%	8.93%
Private Markets	34.00%	10.31%
Total	100.00%	

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

	1% Decrease (6.00%)	Current Decrease (7.00%)	1% Decrease (8.00%)
District net pension liability	\$ 1,480,178	\$ 824,226	\$ 269,203

"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

DURANGO FIRE PROTECTION DISTRICT
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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

State Fire and Police Pension Plan (FPPA)

The following information presented is from the Statewide Retirement Plan (SRP) GASB 68 report which has a measurement date of December 31, 2023.

Plan Description. Durango Fire Protection District participates in the Statewide Retirement Plan (SRP), a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan currently has 230 participating employer fire and police departments.

The Defined Benefit Component and Social Security Component cover substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. Employers once had the option to withdraw from the Plan, but a change in state statutes eliminated this option effective January 1, 1988, unless the employer elects and is determined to be eligible to participate in the Statewide Money Purchase Plan.

In 2003, legislation was enacted that allows departments who cover their firefighters and police officers in money purchase plans to elect coverage under the Plan. As of August 5, 2003, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Plan.

The Plan assets are in the Fire & Police Members' Benefit Investment Fund Long-Term Pool and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Money Purchase Component assets). The Long-Term Pool is designed primarily for open plans with a longer time horizon, appropriate risk tolerance, and lower liquidity needs. The investment return assumption is 7.00 percent.

Members participating in DROP or in the Money Purchase Component choose among various investment options offered by an outside investment manager.

DURANGO FIRE PROTECTION DISTRICT
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The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

Description of Benefits. The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The Normal Retirement Age should not be less than age 55 or more than age 60. Any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. Members with combined age and years of service totaling 80 or more, with a minimum age of 50 also qualify for a normal retirement pension.

A member is eligible for retirement after attainment of age 55 with at least five years of credited service. A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual retirement benefit for the Defined Benefit Component is 2.0 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 of the average of the member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to then years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62.

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions. Contribution rates for the Plan are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

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Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2023, the total combined member and employer contribution rate was 21.5 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2023, the total minimum required member and employer contribution rate was 21.7 percent.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Pension. At December 31, 2024, the District reported a liability of \$0 for its proportionate share of the net pension liability. The net pension liability as of December 31, 2023, is based upon the January 1, 2024, actuarial valuation. The actuarially determined contributions as of December 31, 2023, are based upon the January 1, 2023, actuarial valuation.

The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2023, the District's proportion was approximately 0.63213 percent, a decrease of 0.0338 percent from the prior year.

Actuarial Assumptions. The actuarial valuations for the Statewide Retirement Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2023. The valuations used the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2024	January 1, 2023
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years

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Long-term Investment Rate of Return, net*	7.0%	7.0%
Projected Salary Increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%	0%
*Includes Inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35%	8.33%
Equity Long/Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	5.35%
Fixed Income - Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
Total	100%	

Discount Rate. 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 Statewide Retirement 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

DURANGO FIRE PROTECTION DISTRICT
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pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board’s Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board’s policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 3.77 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

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

Discount Rate	Projected Net Pension (Asset) Liability
1% Decrease to 6%	\$3,544,590
Single Discount Rate (7%)	\$0
1% Increase to 8%	\$0

The net pension liability of \$0 reflects a reserve for cost of living adjustments and to manage adverse experience of each stated discount rate above

Other Information. For the year ended December 31, 2024, the District recognized pension expense related to this plan of \$463,029. At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$1,203,852	\$57,841
Changes in assumptions	\$698,282	\$0
Net difference between projected and actual investment earnings	\$864,256	\$0
Change in proportionate share	\$164,214	\$0

DURANGO FIRE PROTECTION DISTRICT
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Contributions subsequent to the measurement date	\$676,102	\$0
Total	\$3,606,706	\$57,841

The \$676,102 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025.

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

Year ended December 31:	
2025	\$480,604
2026	\$703,642
2027	\$1,003,630
2028	\$155,903
2029	\$189,900
Thereafter	\$338,993
	\$2,872,763

The average of the expected remaining service lives of all members in the plan, including active and inactive members, is 8.4106 years determined as of the beginning of the December 31, 2023 measurement period.

Administrative Personnel Plan

Summary of Significant Accounting Policies

Pensions. Durango Fire Protection District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF 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.

General Information about the Pension Plan

Plan description. Eligible employees of the Durango Fire Protection District are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2023. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

DURANGO FIRE PROTECTION DISTRICT
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The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions provisions as of December 31, 2024: Eligible employees of, Durango Fire Protection District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of 1/1/2024, through 12/31/2024 are summarized in the table below:

	January 1, 2023 Through December 31, 2023	January 1, 2024 Through December 31, 2024
Employee contribution (all employees other than Safety Officers)	9.00%	9.00%

*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
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The employer contribution requirements for all employees other than Safety Officers are summarized in the table below:

	January 1, 2023 Through December 31, 2023	January 1, 2024 Through December 31, 2024
Employer contribution rate	11.00%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.98%	9.98%
Amortization Equalization Disbursement (AED) as		
Employer contribution rate		
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	2.20%	2.20%
Amount apportioned to the LGDTF		
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411		
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411		
Defined Contribution Supplement as specified in C.R.S. § 24-51-415		
Total employer contribution rate to the LGDTF		
specified in C.R.S. § 24-51-411		
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.06%	0.08%
Total employer contribution rate to the LGDTF	13.74%	13.76%

*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Durango Fire Protection District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Durango Fire Protection District were \$287,863 for the year ended December 31, 2024.

DURANGO FIRE PROTECTION DISTRICT
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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for the LGDTF was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TPL to December 31, 2023. The Durango Fire Protection District proportion of the net pension liability was based on Durango Fire Protection District contributions to the LGDTF for the calendar year 2023 relative to the total contributions of participating employers.

At December 31, 2024, the Durango Fire Protection District reported a liability of \$1,570,495 for its proportionate share of the net pension liability.

At December 31, 2023, the Durango Fire Protection District proportion was 0.21395%, which was a decrease of 0.00178% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Durango Fire Protection District recognized pension expense of \$24,790. At December 31, 2024, the Durango Fire Protection District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 84,990	\$ 1,613
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earning on plan investments	458,591	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	1,968
Contributions subsequent to the measurement date	<u>287,863</u>	<u>-</u>
Total	\$ 831,444	\$ 3,581

\$287,863 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2025	\$ 85,329
2026	194,221
2027	386,774
2028	(126,324)
2029	-
Thereafter	-
Total	<u>\$ 540,000</u>

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
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Actuarial assumptions. The TPL in the December 31, 2022, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members other than Safety Officers	3.20%- 11.30%
Safety Officers	3.20%- 12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than Safety Officers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for Safety Officers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members other than Safety Officers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for Safety Officers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

DURANGO FIRE PROTECTION DISTRICT
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Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than Safety Officers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years and asset/liability studies performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, 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 percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real 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: 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 nominal rate of return assumption of 7.25%.

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
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Discount rate. The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023 and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund were \$24.967 million. The District's proportionate share of the increase in FNP as a result of this transaction was \$53,417.

Based on the above assumptions and methods, the LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Durango Fire Protection District proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability

DURANGO FIRE PROTECTION DISTRICT
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calculated using the discount rate of 7.25%, 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 (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Decrease (7.25%)	1% Decrease (8.25%)
District net pension liability	\$ 3,078,345	\$ 1,570,495	\$ 307,425

Pension plan fiduciary net position. Detailed information about the LGDTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

Note 6 – Other Post-Employment Benefits

Defined Benefit Other Post Employment Benefit (OPEB) Plan

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 (FNP) and additions to/deductions from the FNP 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

Plan description. Eligible employees of the 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, and 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 by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. 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.

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

DURANGO FIRE PROTECTION DISTRICT
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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.

Enrollment in the PERACare health benefits program 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 during an open enrollment period.

PERA Benefit Structure

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 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% 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% 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 the Durango Fire Protection District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Durango Fire Protection District were \$19,115 for the year ended December 31, 2024.

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

At December 31, 2024, the Durango Fire Protection District reported a liability of \$108,906 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. The Durango Fire Protection District proportion of the net OPEB liability was based on Durango Fire Protection District contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
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At December 31, 2023, the Durango Fire Protection District proportion was 0.01526%, which a decrease of 0.00004% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Durango Fire Protection District recognized OPEB benefit of \$4,859. At December 31, 2024, the Durango Fire Protection District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 22,321
Changes of assumptions or other inputs	1,281	11,548
Net difference between projected and actual earning on plan investments	3,368	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	8,426
Contributions subsequent to the measurement date	<u>19,115</u>	<u>-</u>
Total	\$ 23,764	\$ 42,296

\$19,115 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:

2025	\$ (18,710)
2026	(12,486)
2027	(1,018)
2028	(3,853)
2029	(1,227)
Thereafter	<u>(352)</u>
Total	\$ <u>(37,647)</u>

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Notes to the Financial Statements
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Actuarial assumptions. The TOL in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	Local Government Division
<hr/>	
Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	
Members other than Safety Officers	3.20%-11.30%
Safety Officers	3.20%-12.40%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans ¹	7.00% in 2023, gradually decreasing to 4.5% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.5% in 2035
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Each year the per capita health care costs are developed by plan option; currently based on 2023 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

DURANGO FIRE PROTECTION DISTRICT
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Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,692	\$1,406	\$579	\$481	\$1,913	\$1,589
70	\$1,901	\$1,573	\$650	\$538	\$2,149	\$1,778
75	\$2,100	\$1,653	\$718	\$566	\$2,374	\$1,869

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,469	\$5,373	\$4,198	\$3,487	\$6,719	\$5,581
70	\$7,266	\$6,011	\$4,715	\$3,900	\$7,546	\$6,243
75	\$8,026	\$6,319	\$5,208	\$4,101	\$8,336	\$6,563

The 2023 Medicare Part A premium is \$506 per month.

All costs are subject to the health care cost trend rates, as discussed below.

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 industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

December 31, 2022, 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 used to measure the TOL are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than Safety Officers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than Safety Officers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, 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 percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real 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: 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 nominal 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 ¹	5.75%	6.75%	7.75%
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	\$105,781	\$108,906	\$112,307

¹For the January 1, 2024, plan year.

Discount rate. The discount rate used to measure the TOL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF were \$1.033 million. The District's proportionate share of the increase in FNP as a result of this transaction was \$158.

Based on the above assumptions and methods, the FNP for the HCTF was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

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 Decrease (7.25%)	1% Decrease (8.25%)
Proportionate Share of the net OPEB liability	\$ 128,632	\$ 108,906	\$ 92,031

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

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

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.

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.

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DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

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.

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, 2024 were \$4,911,983 on total charges of \$10,142,736. At December 31, 2024 the allowance for uncollectibles was \$418,971 on total gross receivables of \$1,478,564.

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. The amount restricted for TABOR is \$970,891. An additional \$8,511,398 is restricted for construction on Station 2 under the lease-leaseback agreement.

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, 2024 is \$449,413 which includes \$200,000 committed to improvements on Station 5 and \$249,413 the Board has committed to capital projects.

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 160 hours for regular full-time and 240 hours for 24 hour shift full-time of unused sick leave when employees separate from service with the district provided they qualify to retire.

	Balance December 31, 2023		Balance December 31, 2024	Due in one year
	as restated	Net Change		
Accrued vacation	742,633	(14,702)	727,931	363,965
Accrued sick leave	1,002,034	67,145	1,069,179	356,878
	<u>1,744,667</u>	<u>52,443</u>	<u>1,797,110</u>	<u>720,843</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.

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

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.

Note 13 – Lessor Tenant Agreements

With the purchase of the building at 103 Sheppard Drive, Durango Fire Protection District assumed three lease agreements with the General Services Administration of the US Government (GSA) for office space, use of common areas, and parking for local offices of the Social Security Administration, the Internal Revenue Service, and the United States Geological Survey.

Lease agreements are summarized as follows:

Tenant	Began	Terms	Monthly Payment Year 1-5	Monthly Payment Year 6-10	Monthly Payment Year 11-15	Monthly Payment Year 16-20
SSA	6/24/2019	15 yr 10 Firm	\$ 15,982	\$ 16,524	\$ 11,678	
IRS	6/24/2019	15 yr 10 Firm	\$ 3,713	\$ 2,331	\$ 2,375	
USGS	2/1/2019	20 yr 10 Firm	\$ 5,006	\$ 5,006	\$ 6,137	\$ 6,610

The District implemented GASB No. 87 for the year ended December 31, 2023 and used the payment schedule detailed above to measure the lease receivable as of November 17, 2023. In addition, the lease receivable was discounted to a net present value at November 17, 2023, the date of purchase, using a 3.77% interest rate.

The District entered into a lease agreement with the State of Colorado, acting by and through the Department of Public Safety for the use and benefit of the Division of Fire Prevention and Control for office space, use of common areas, and parking for a local office.

This lease agreement is summarized as follows:

Tenant	Began	Terms	Monthly Payment 3/1/24-6/30/25	Monthly Payment 7/1/25-6/30/26	Monthly Payment 7/1/26-6/30/27
CDFPC	3/7/2024	9.5yr 3.5 Firm	\$ 1,519	\$ 1,566	\$ 1,616

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

The District used the payment schedule detailed above to measure the lease receivable as of March 7, 2024. In addition, the lease receivable was discounted to a net present value at March 7, 2023 using a 3.77% interest rate.

For the year ended December 31, 2024, the District received \$235,733 in rent revenue and \$96,012 in lease interest revenues. The remaining \$7,200 of rent revenue was rent received from FCI Constructors, Inc. under a short term lease for the use of a parcel owned by Durango Fire Protection District located at 545 Wilson Gulch Road to store construction material. Future lease payments due to the District are as follows for the years ending December 31:

	<u>Principal</u>	<u>Interest</u>
2025	\$ 207,890	\$ 86,605
2026	216,459	78,625
2027	225,381	70,317
2028	234,658	61,666
2029	222,958	52,847
2030 – 2034	1,003,744	143,694
2035 – 2039	300,707	23,193

Note 14 – Long-term Obligations

On April 16, 2024, the Durango Fire Protection District issued Certificates of Participation, Series 2024 in the amount of \$12,500,000, with an interest rate of 3.77%, an end date of December 31, 2049 and semi-annual payments in the amount of \$538,611, proceeds of which are being used to construct a new fire station at 1235 Camino del Rio replacing the current fire station at the same site. The District has leased the real property at this location, to the lender who leased the property back to the District. In the event of a default, the District may have to vacate the building and the lender can lease the real property to another entity.

Changes in the District's long-term obligations consisted of the following for the year ended December 31, 2024.

	<u>Balance</u> <u>January 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>January 1, 2024</u>	<u>Amounts Due</u> <u>in One Year</u>
2024 Certificates of Participation	\$ -	\$ 12,500,000	\$ 244,080	\$ 12,255,920	\$ 620,971
Total	\$ -	\$ 12,500,000	\$ 244,080	\$ 12,255,920	\$ 620,971

DURANGO FIRE PROTECTION DISTRICT
Notes to the Financial Statements
Year Ended December 31, 2024

A schedule, by years, of future minimum lease payments under the lease agreement as of December 31, 2024 follows:

Year ended December 31:	Principal	Interest	Total
2025	620,971	456,250	1,077,221
2026	644,603	432,619	1,077,222
2027	669,133	408,089	1,077,222
2028	694,598	382,624	1,077,222
2029	721,031	356,191	1,077,222
Thereafter	8,905,584	1,866,631	10,772,215
Total	\$ 12,255,920	\$ 3,902,404	\$ 16,158,324

Note 15 – Restatement – GASB 101 Implementation

During the current year, the Durango Fire Protection District implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the Durango Fire Protection District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the “Restatement – GASB implementation” column in the table below.

	Net position/fund balance 12/31/2023 as previously reported	Restatement - GASB 101 implementation	Net position/fund balance 12/31/2023 as restated/adjusted
Government-wide			
Governmental activities	\$ 31,070,430	\$ (902,447)	\$ 30,167,983
Total government-wide	\$ 31,070,430	\$ (902,447)	\$ 30,167,983

On April 16, 2024, the Durango Fire Protection District issued Certificates of Participation, Series 2024 in the amount of \$12,500,000, with an interest rate of 3.77%, proceeds of which are being used to construct a new fire station at 1235 Camino del Rio. This station will replace the current fire station at the same site. The District has leased the real property at this location, to the lender who leased the property back to the District. In the event of a default, the District may have to vacate the building and the lender can lease the real property to another entity.

Changes in the District’s long-term obligations consisted of the following for the year ended December 31, 2024.

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2024

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,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability	0.214%	0.216%	0.210%	0.200%	0.191%	0.227%	0.224%	0.204%	0.212%	0.188%
Proportionate Share of the Net Pension Liability (Asset)	\$ 1,570,495	\$ 2,162,867	\$ (179,640)	\$ 1,043,562	\$ 1,393,054	\$ 2,857,247	\$ 2,496,304	\$ 2,760,940	\$ 2,330,363	\$ 866,693
Actual Covered Member Payroll	\$ 1,686,661	\$ 1,554,785	\$ 1,900,035	\$ 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	93.11%	139.11%	-9.45%	65.09%	106.32%	192.01%	176.23%	222.78%	193.97%	84.24%
Fiduciary Net Position as a Percentage of Total Pension Liability	88.03%	82.99%	101.49%	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.

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

Fiscal period ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 287,863	\$ 254,628	\$ 237,751	\$ 250,796	\$ 203,309	\$ 166,133	\$ 188,685	\$ 179,613	\$ 157,143	\$ 152,340
Actual Contribution	\$ 287,863	\$ 254,628	\$ 237,751	\$ 250,796	\$ 203,309	\$ 166,133	\$ 188,685	\$ 179,613	\$ 157,143	\$ 152,340
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 2,501,622	\$ 1,686,661	\$ 1,554,785	\$ 1,900,035	\$ 1,603,383	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424
Actual Contribution as a % of Covered Payroll	13.76%	13.74%	13.71%	13.20%	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.

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2024

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,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability	0.632%	0.666%	0.729%	0.648%	0.672%	0.649%	0.647%	0.717%	0.702%	0.768%
Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ 591,071	\$ (3,948,210)	\$ (1,407,529)	\$ (379,798)	\$ 820,278	\$ (931,206)	\$ 259,107	\$ (12,376)	\$ (866,693)
Actual Covered Member Payroll	\$ 6,241,728	\$ 5,850,992	\$ 5,659,824	\$ 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	0.00%	10.10%	-69.76%	-27.03%	-7.08%	18.87%	-24.60%	7.06%	-0.36%	-26.38%
Fiduciary Net Position as a Percentage of Total Pension Liability	100.00%	97.60%	116.20%	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.

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

Fiscal period ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 676,102	\$ 589,978	\$ 521,418	\$ 481,085	\$ 416,596	\$ 429,409	\$ 347,690	\$ 302,888	\$ 293,590	\$ 272,272
Actual Contribution	\$ 676,102	\$ 589,978	\$ 521,418	\$ 481,085	\$ 416,596	\$ 429,409	\$ 347,690	\$ 302,888	\$ 293,590	\$ 272,272
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 6,761,010	\$ 6,241,728	\$ 5,850,992	\$ 5,659,824	\$ 5,207,450	\$ 5,367,613	\$ 4,346,125	\$ 3,786,100	\$ 3,669,875	\$ 3,403,400
Actual Contribution as a % of Covered Payroll	10.00%	9.50%	9.00%	8.50%	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.

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2024

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,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 38,919	\$ 63,252	\$ 63,252	\$ 104,484	\$ 104,484	\$ 112,218	\$ 112,218	\$ 106,833	\$ 106,833	\$ 114,246
Interest on the Total Pension Liability	452,675	453,630	455,317	471,909	469,634	465,591	460,674	415,838	411,700	416,539
Benefit Changes	-	-	-	-	-	-	-	374,465	-	-
Difference between Expected and Actual Experience	-	(30,070)	-	(243,893)	-	169,748	-	20,540	-	(164,171)
Assumption Changes	-	61,922	-	-	-	282,492	-	171,900	-	-
Benefit Payments	(562,177)	(539,040)	(546,185)	(552,242)	(531,349)	(518,514)	(496,563)	(492,335)	(435,411)	(419,850)
Net Change in Total Pension Liability	(70,583)	9,694	(27,616)	(219,742)	42,769	511,535	76,329	597,241	83,122	(53,236)
Total Pension Liability - Beginning	6,723,989	6,714,295	6,741,911	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)	6,653,406	6,723,989	6,714,295	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	\$ 139,958	\$ 139,958	\$ 228,723	\$ 222,215	\$ 162,215	\$ 162,215	\$ 162,215	\$ 156,141	\$ 136,141	\$ 132,800
Pension Plan Net Investment Income	533,463	(528,114)	868,792	688,358	733,400	6,492	738,307	269,779	97,518	355,301
Benefit Payments	(562,177)	(539,040)	(546,185)	(552,242)	(531,349)	(518,514)	(496,563)	(492,335)	(435,411)	(419,850)
Pension Plan Administrative Expense	(35,718)	(32,303)	(26,956)	(25,690)	(33,741)	(35,490)	(28,998)	(8,352)	(10,193)	(8,497)
State of Colorado supplemental discretionary payment	38,552	38,552	77,104	38,552	-	38,552	38,552	38,552	38,552	38,552
Net Change in Plan Fiduciary Net Position	114,078	(920,947)	601,478	371,193	330,525	(346,745)	413,513	(36,215)	(173,393)	98,306
Plan Fiduciary Net Position - Beginning	5,715,102	6,636,049	6,034,571	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)	5,829,180	5,715,102	6,636,049	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)	824,226	1,008,887	78,246	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	87.61%	85.00%	98.83%	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	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	N/A	N/A	N/A

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

Fiscal period ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 178,510	\$ 178,510	\$ 178,510	\$ 264,021	\$ 264,021	\$ 200,767	\$ 200,767	\$ 174,693	\$ 174,693	\$ 164,607
Actual Contribution	\$ 200,000	\$ 178,510	\$ 178,510	\$ 305,827	\$ 260,767	\$ 162,215	\$ 200,767	\$ 200,767	\$ 194,693	\$ 174,693
Contribution Deficiency (Excess)	\$ (21,490)	\$ -	\$ -	\$ (41,806)	\$ 3,254	\$ 38,552	\$ -	\$ (26,074)	\$ (20,000)	\$ (10,086)
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.

DURANGO FIRE PROTECTION DISTRICT
Required Supplemental Information
Year Ended December 31, 2024

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,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability	0.015%	0.015%	0.015%	0.014%	0.014%	0.018%	0.017%	0.016%		
Proportionate Share of the Net Pension Liability (Asset)	\$ 108,906	\$ 124,882	\$ 127,797	\$ 136,948	\$ 160,975	\$ 239,791	\$ 226,403	\$ 226,403		
Actual Covered Member Payroll	\$ 2,046,863	\$ 1,554,785	\$ 1,900,035	\$ 1,310,197	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301		
Net Pension Liability as a Percentage of Covered Payroll	5.32%	8.03%	6.73%	10.45%	12.29%	16.11%	15.98%	18.27%		
Fiduciary Net Position as a Percentage of Total Pension Liability	46.16%	38.57%	39.40%	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,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 19,115	\$ 20,878	\$ 15,831	\$ 19,380	\$ 16,355	\$ 13,364	\$ 15,178	\$ 14,448	\$ 12,641	\$ 12,255
Actual Contribution	\$ 19,115	\$ 20,878	\$ 15,831	\$ 19,380	\$ 16,355	\$ 13,364	\$ 15,178	\$ 14,448	\$ 12,641	\$ 12,255
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 1,874,020	\$ 2,046,863	\$ 1,554,785	\$ 1,900,035	\$ 1,603,383	\$ 1,310,197	\$ 1,488,049	\$ 1,416,506	\$ 1,239,301	\$ 1,201,424
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.

DURANGO FIRE PROTECTION DISTRICT
Other Supplemental Information
Year Ended December 31, 2024

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
For the Year Ended December 31, 2024**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
Revenues				
Transfer from General Fund	\$ 1,200,000	\$ 1,200,000	2,200,000	\$ 1,000,000
City of Durango capital contribution	272,052	272,052	272,052	-
Lease-lease back proceeds	12,000,000	12,000,000	12,500,000	500,000
Impact fees	200,000	200,000	581,901	381,901
Capital grants	-	-	114,037	114,037
Rental income	250,000	250,000	235,733	(14,267)
Interest from leases	-	-	96,012	96,012
Interest Income	5,000	5,000	432,187	427,187
Sale of assets	1,200,000	1,200,000	1,334,176	134,176
Total revenues	<u>15,127,052</u>	<u>15,127,052</u>	<u>17,766,098</u>	<u>2,639,046</u>
Expenditures				
Capital expenditures				
Capital expenditures for Station 2	12,000,000	12,000,000	5,755,239	6,244,761
Capital equipment	2,550,000	2,550,000	3,392,746	(842,746)
Improvements at 103 Sheppard	320,000	320,000	407,936	
Lease-lease back payment	-	600,000	538,611	61,389
Total Expenditures	<u>14,870,000</u>	<u>15,470,000</u>	<u>10,094,532</u>	<u>5,463,404</u>
Excess of revenues over (under) expenditures	<u>257,052</u>	<u>(342,948)</u>	<u>7,671,565</u>	<u>8,102,450</u>
Net change in fund balance	<u>257,052</u>	<u>(342,948)</u>	<u>7,671,565</u>	<u>8,102,450</u>
Fund balance - Beginning of Year			1,089,246	
Fund balance - End of Year			<u>\$ 8,760,811</u>	

STATISTICAL SECTION

Statistical Section Comments

The purpose of the statistical portion of the annual comprehensive 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: (Pages 73 - 76) - Net position increased by \$5,357,062, 18%, in 2024 and has increased by \$14,671,056, 95%, since 2015. The fund balance increased by \$9,236,131 in 2024 ending the year at \$16,127,456 with \$6,195,754 unassigned. The unassigned fund balance in 2015 was \$7,610,553.

Revenue Capacity: (Pages 77 – 80) - The District received 29% of its revenue from property taxes in 2024. Total taxable assessed valuations for the District were \$706,288,560 in compared to \$559,459,390 in 2014, a 26% increase over the 10 years. The City of Durango contributed 27% 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: (Page 81) - The District had no debt through 2023. In 2024, the District entered into a lease-leaseback agreement for the construction of Station 2 which created a long-term lease obligation. In 2024 the ratio of lease payment to total governmental expenditures was 1.98%, the percentage of net lease obligations to assessed value was 1.66%, and the net lease obligation per capita was \$306.

Demographic and Economic Information: (Pages 82 – 83) - La Plata County has experienced a 5% increase in population from 2014 to 2023 when the US Census calculated the population at 56,453. The number of housing units has increased by 11% during the same time frame. Total personal income declined slightly in 2016 before increasing in every year through 2023 when it reached \$4,318,392,000. Unemployment has been very low for most of the past ten years, however it did increase in 2020 reaching 6.4% due to Covid, however it dropped down to 3.1% in 2022 and moved up slightly in 2023 to 3.3% which was below the national average.

Operating Information: (Pages 84 – 88) - The District currently has 108 full-time employees which is 34 more than 2014 and 3 more than DFPD operated with in 2023. Twenty-nine of the additional employees are line personnel and operational support staff increased by two. Capital asset numbers have been fairly consistent over the last 10 years with the exception of 2 additional engines and 4 additional ambulances. Most of the capital purchases of rolling stock have replaced old equipment which was then sold or disposed of. EMS calls have increased by 27% from 2015 to 2024 while Fire calls have fluctuated up and down and were at a ten-year low of 80 in 2023. Total call volume increased by 34% from 2015 to 2024 with 6,475 total calls in 2024.

Sources: Except where noted, the information in this section comes from the District's annual comprehensive financial 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
2015 - 2024**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary Government:										
Governmental Activities										
Net investment in capital assets	7,730,319	6,843,474	6,266,151	6,384,571	10,998,138	14,292,450	19,834,968	22,563,948	23,633,218	27,463,623
Restricted	331,827	338,671	416,179	434,970	486,762	542,148	626,642	2,293,772	1,037,343	9,482,289
Unrestricted	7,434,781	7,437,295	6,421,459	8,406,388	6,638,067	6,132,173	2,774,401	3,358,904	5,497,422	(1,420,867)
Total governmental activities net position	15,496,927	14,619,440	13,103,789	15,225,929	18,122,967	20,966,771	23,236,011	28,216,624	30,167,983	35,525,045

Durango Fire Protection District
Changes in Net Position
2015 - 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Public Safety	9,967,548	11,017,592	12,140,760	11,579,557	11,998,560	12,862,157	13,670,429	13,061,005	17,080,947	19,524,876
Total governmental activities expenses	9,967,548	11,017,592	12,140,760	11,579,557	11,998,560	12,862,157	13,670,429	13,061,005	17,080,947	19,524,876
Program Revenues										
Governmental activities										
Charges for services	2,264,658	2,351,618	2,811,118	3,015,206	3,784,110	4,223,601	3,950,523	5,277,096	5,715,422	6,641,792
Operating grants and contributions	673,624	26,004	8,234	21,361	22,009	106,223	115,457	186,937	119,589	300,258
Capital grants and contributions	416,066	423,097	792,311	430,429	561,720	509,394	782,325	486,632	1,418,353	1,299,735
Total governmental activities program revenues	3,354,348	2,800,719	3,611,663	3,466,996	4,367,839	4,839,218	4,848,305	5,950,665	7,253,364	8,241,785
Net (expense)/revenue										
Governmental activities	(6,613,200)	(8,216,873)	(8,529,097)	(8,112,561)	(7,630,721)	(8,022,939)	(8,822,124)	(7,110,340)	(9,827,583)	(11,283,091)
General Revenues and Other Changes in Net Position										
Property taxes	3,199,028	3,631,116	3,167,088	4,506,664	4,623,948	4,782,739	4,968,122	4,954,588	5,174,783	6,677,079
Specific ownership taxes	538,571	562,268	682,648	953,782	976,534	969,300	1,079,122	1,087,206	1,019,568	1,050,037
Contract with City of Durango	2,734,584	2,943,622	3,002,282	4,505,213	4,546,600	4,875,754	4,912,436	4,918,398	4,910,344	5,828,264
Other local taxes	168,241	101,796	55,861	49,769	56,725	44,123	29,931	18,008	29,948	44,683
In-kind benefits revenue	-	-	-	-	-	-	-	952,750	112,750	250,000
Interest	11,135	35,908	59,598	176,585	251,489	119,254	499	84,337	298,779	761,922
Other	51,015	64,676	45,969	42,688	62,463	75,573	101,255	75,666	232,770	2,028,168
Total general revenues	6,702,574	7,339,386	7,013,446	10,234,701	10,517,759	10,866,743	11,091,365	12,090,953	11,778,942	16,640,153
Change in Net Position	89,374	(877,487)	(1,515,651)	2,122,140	2,887,038	2,843,804	2,269,241	4,980,613	1,951,359	5,357,062

**Durango Fire Protection District
Fund Balances of Governmental Funds
2015 - 2024**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Restricted for:										
Emergency reserves	331,827	338,671	416,179	434,970	486,762	542,148	624,642	625,914	1,037,343	970,891
Committed for:										
Capital projects	744,104	1,016,156	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Unassigned	7,610,553	7,847,761	3,589,365	3,798,016	4,552,002	4,979,393	3,726,837	4,539,579	4,564,737	6,195,754
Total general fund	<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>	<u>5,365,493</u>	<u>5,802,080</u>	<u>7,366,645</u>
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2022
Capital Projects Fund:										
Restricted for:										
Capital Projects	-	-	-	-	-	-	-	-	-	8,511,398
Committed for:										
Capital projects	-	-	5,371,217	6,897,915	3,802,587	2,830,438	253,641	671,680	1,089,246	249,413
Unassigned	-	-	-	-	-	-	-	-	-	-
Total capital projects fund	<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>	<u>671,680</u>	<u>1,089,246</u>	<u>8,760,811</u>
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2022
Total:										
Restricted for:										
Emergency reserves	331,827	338,671	416,179	434,970	486,762	542,148	624,642	625,914	1,037,343	970,891
Capital projects	-	-	-	-	-	-	-	-	-	8,511,398
Committed for:										
Capital projects	744,104	1,016,156	5,571,217	7,097,915	4,002,587	3,030,438	453,641	871,680	1,289,246	449,413
Unassigned	7,610,553	7,847,761	3,589,365	3,798,016	4,552,002	4,979,393	3,726,837	4,539,579	4,564,737	6,195,754
Total all funds	<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>	<u>6,037,173</u>	<u>6,891,326</u>	<u>16,127,456</u>

**Durango Fire Protection District
Governmental Funds Changes in Fund Balances
2015 - 2024**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue										
Property taxes	\$ 3,199,028	\$ 3,631,116	\$ 3,167,088	\$ 4,506,664	\$ 4,623,948	\$ 4,782,739	\$ 4,968,121	\$ 4,954,588	\$ 5,174,783	\$ 6,677,079
Specific ownership taxes	538,571	562,268	682,648	953,782	976,534	969,300	1,079,122	1,087,206	1,019,568	1,050,037
Contract with City of Durango	2,734,584	2,943,622	3,002,282	4,505,213	4,546,600	4,875,754	4,912,436	4,918,398	4,910,344	5,828,264
Other local taxes	168,241	101,796	55,861	49,769	56,725	44,123	29,931	18,008	29,948	44,683
Ambulance income, net	1,409,719	1,629,742	1,587,072	1,671,001	2,724,734	2,841,167	2,804,212	3,937,020	4,346,271	5,230,753
Fees for services	854,939	721,876	1,224,046	1,344,205	1,059,376	1,382,434	1,146,311	1,340,076	1,369,151	1,411,039
Grants	643,624	31,396	137,938	21,361	93,271	106,223	231,842	186,937	446,803	414,295
Impact fees	144,014	124,034	146,262	148,047	156,375	219,542	383,988	214,580	661,351	581,901
City of Durango contribution for capital	272,052	272,052	272,052	272,052	272,052	272,052	272,052	272,052	272,052	272,052
Rental income	-	-	-	-	-	-	-	-	157,736	331,745
Interest income	11,135	35,908	59,598	176,585	251,489	119,254	499	84,337	298,778	761,922
Miscellaneous income	51,015	64,676	45,969	42,688	62,463	75,573	101,255	75,666	98,258	51,121
Total revenues	10,026,922	10,118,486	10,380,816	13,691,367	14,823,567	15,688,161	15,929,769	17,088,868	18,785,043	22,654,891
Expenditures										
General Government										
Fire administration	1,351,526	1,476,087	1,465,202	1,637,483	1,739,774	1,586,654	1,712,965	1,805,977	2,052,357	2,513,107
Fire fighting	3,766,207	3,556,051	3,984,440	4,704,352	4,593,583	5,051,313	5,346,772	5,827,852	6,469,131	7,367,942
Fire prevention	378,768	437,881	460,514	471,902	499,987	541,541	658,075	604,573	695,341	772,854
Fire training	351,055	508,162	489,601	558,691	497,303	469,913	544,503	547,094	622,404	806,667
Fire communications	89,980	98,935	90,662	133,959	105,315	165,261	176,947	177,198	148,045	310,673
Fire repair services	355,086	385,788	439,859	382,487	439,743	420,256	551,323	629,009	591,422	605,021
Emergency medical services	2,625,223	2,794,090	2,834,004	3,053,565	3,385,514	3,563,533	3,872,087	4,127,859	4,157,231	4,274,170
Stations and building	159,906	160,432	159,594	165,782	283,487	202,612	238,656	204,621	347,108	365,785
Capital outlay	624,457	206,576	452,724	839,336	5,630,442	4,194,250	6,585,200	1,932,632	6,478,388	9,698,106
Lease-leaseback payment	-	-	-	-	-	-	-	-	-	538,611
Total expenditures	9,702,208	9,624,002	10,376,600	11,947,557	17,175,148	16,195,333	19,686,528	15,856,815	21,561,427	27,252,936
Other financing sources and (uses)										
Lease-leaseback proceeds	-	-	-	-	-	-	-	-	-	12,500,000
Sale of assets	30,000	21,619	369,958	10,330	62,031	17,800	9,900	-	3,630,537	1,334,176
Total other financing sources and (uses)	\$ 30,000	\$ 21,619	\$ 369,958	\$ 10,330	\$ 62,031	\$ 17,800	\$ 9,900	\$ -	\$ 3,630,537	\$ 13,834,176
Net change in fund balance	\$ 354,714	\$ 516,103	\$ 374,174	\$ 1,754,140	\$ (2,289,550)	\$ (489,372)	\$ (3,746,859)	\$ 1,232,053	\$ 854,153	\$ 9,236,131

**Durango Fire Protection District
Assessed Value and Actual Value of Taxable Property
2015 - 2024**

Tax Year	Vacant					Natural Resources	Oil and Gas	State Assessed	Multi Family Property	Other Ag Property	Renewable Energy Property	Exempt	Total Taxable Assessed Value	Taxable Values Percentage of Estimated Actual Value	Total Estimated Actual Value	Total Direct Rate
	Land	Residential	Commercial	Industrial	Agricultural											
2015	66,962,970	250,224,180	51,465,710	5,598,800	4,737,450	603,220	163,321,460	16,545,600	0	0	0	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	0	0	0	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	0	0	0	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	0	0	0	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	0	0	0	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	0	0	0	52,871,170	590,554,380	10.67%	5,537,151,700	8.200
2021	61,062,040	345,005,220	65,968,140	12,070,250	6,207,930	1,622,000	85,776,990	16,958,190	0	0	0	52,639,510	594,670,760	10.56%	5,629,601,570	8.200
2022	68,513,630	336,257,710	64,654,240	11,800,050	5,274,060	1,724,980	108,804,120	16,520,830	5,216,420	525,040	5,690	61,378,640	619,296,770	10.74%	5,768,344,820	8.200
2023	82,968,540	399,874,240	66,288,680	12,547,280	5,267,430	1,750,480	145,173,030	16,312,410	6,763,970	606,060	5,620	72,498,480	737,557,740	10.11%	7,295,371,790	8.200
2024	80,920,740	413,610,930	67,084,480	12,556,350	5,319,250	2,162,980	99,743,930	17,336,070	6,912,660	635,900	5,270	67,202,680	706,288,560	9.80%	7,204,437,840	8.200

Source: La Plata County Assessor's Office

**Durango Fire Protection District
Direct and Overlapping Property Tax Rates
2015 - 2024**

Tax Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Durango Fire Protection District Direct	5.700	5.700	5.700	8.200	8.200	8.200	8.200	8.200	8.2000	8.2000
Animas La Plata Water Conservancy	0.333	0.322	0.328	0.328	0.344	0.345	0.352	0.372	0.3530	0.3710
Animas Mosquito Control	0.990	0.990	0.990	0.990	0.990	1.400	1.400	1.400	1.4000	1.4000
Bayfield School District	21.599	21.161	32.478	31.905	31.721	32.848	34.751	34.168	19.1070	20.7200
Bayfield School District Bond	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	12.4700	14.4280
Durango (City of)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.0070	5.0070
Durango Hills Road Improvement District	0.000	0.000	20.379	0.000	20.379	20.379	20.379	20.379	17.7650	18.1320
Durango School District	19.090	17.876	19.874	20.281	21.075	22.787	24.025	24.975	18.8090	20.7980
Durango School Dist Bond	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.7760	10.7890
Durango West Metropolitan #1	20.300	19.460	0.000	0.000	0.000	0.000	0.000	0.000	0.0000	0.0000
Edgemont Ranch Metropolitan	7.876	7.875	7.880	7.895	7.906	7.874	7.874	7.874	7.8740	7.8740
Edgemont Ranch Metropolitan Bond	3.600	2.893	2.808	2.724	2.450	2.064	1.927	1.816	0.6090	0.0000
El Rancho Florida Metropolitan	20.589	21.149	26.110	21.573	23.841	15.021	24.919	25.400	19.9430	22.2640
Elevation Park Metro District	0.000	0.000	0.000	0.000	0.000	10.000	10.000	10.000	18.0000	18.0000
Elevation Park Metro DistrictBond	0.000	0.000	0.000	0.000	0.000	50.000	50.000	50.000	53.0000	53.0000
Ft. Lewis Mesa Fire Protection	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	11.7960	11.8270
Florida Mosquito Control	0.700	0.700	0.700	0.700	0.700	0.700	0.700	0.700	0.7000	0.7000
Florida Water Conservancy	0.066	0.060	0.060	0.060	0.060	0.060	0.060	0.059	0.0530	0.0530
Ignacio Community Library District	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.5000	1.5000
Ignacio School District	11.470	12.436	15.535	18.350	17.713	19.469	19.469	23.369	8.4040	10.4410
Ignacio School District Bond	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.0000	9.0000
La Plata Archuleta Water District	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.0000	5.0000
La Plata County General	7.410	7.410	7.348	7.348	7.348	7.348	7.115	7.348	7.1150	7.1150
La Plata County Human Services	0.380	0.380	0.443	0.442	0.442	0.442	0.675	0.442	0.6750	0.6750
La Plata County R&B	0.710	0.710	0.710	0.710	0.710	0.710	0.710	0.710	0.7100	0.7100
La Plata Water Conservancy	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.295	0.2950	0.2950
LPC Palo Verde Pub Imp Distr No. 3	4.840	4.559	32.235	27.820	18.671	18.466	19.888	15.104	0.0570	0.0700
LPC Palo Verde Pub Imp Distr No. 3 Bond	16.860	13.567	0.000	0.000	0.000	0.000	0.000	0.000	10.1510	12.3670
Montezuma Dolores County Metropolitan Rec Dist	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.7770	0.7770
Pine River Cemetary	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.1500	0.1500
Pine River Library	2.504	2.501	2.500	2.500	2.500	4.000	4.000	4.000	4.0000	4.0000
Purgatory Metropolitan	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.313	27.3130	27.3130
Purgatory Metropolitan Subdistrict	15.000	15.000	15.000	15.000	15.000	15.000	15.000	15.000	15.0000	15.0000
Southwest La Plata Library District	0.000	0.000	0.000	0.000	0.000	1.500	1.500	1.500	1.5000	1.5000
Southwestern Water Conservancy	0.362	0.340	0.395	0.407	0.407	0.407	0.407	0.407	0.3470	0.3800
Tamarron Metropolitan District	13.000	13.000	13.000	13.000	13.000	14.430	14.430	14.004	14.8100	14.8920
Tamarron Metropolitan District Bond	37.000	37.000	37.000	37.000	37.000	41.070	41.070	39.857	42.1520	42.3840
Twin Buttes Metro Dist No 2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.0000	20.0000
Twin Buttes Metro Dist No 2 Bond	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.0000	50.0000
Ute Pass Water Dist Bond	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.8160	10.0000
Total Direct and Overlapping Millages	244.637	239.347	275.730	251.491	264.715	328.778	343.109	341.342	426.634	447.1320

**Durango Fire Protection District
Principal Property Tax Payers
2014 - 2023**

Taxpayer	Tax Years										Percentage of Total Assessed Value
	2014 Taxable Assessed Value	2015 Taxable Assessed Value	2016 Taxable Assessed Value	2017 Taxable Assessed Value	2018 Taxable Assessed Value	2019 Taxable Assessed Value	2020 Taxable Assessed Value	2021 Taxable Assessed Value	2022 Taxable Assessed Value	2023 Taxable Assessed Value	
Simcoe LLC							40,984,270	15,171,850	26,137,350	51,057,110	6.92%
Harvest Four Corners LLC							38,019,120	35,504,380	36,760,630	37,296,570	5.06%
Hilcorp San Juan LP					9,413,920	14,670,460	10,124,830	11,351,700	13,522,330	25,754,810	3.49%
Enduring Resources LLC					7,064,550	6,507,450	4,429,510		9,257,790	20,766,470	2.82%
Northwest Pipeline LLC										12,687,810	1.72%
Glacier Properties Associates LLC	3,262,900	3,549,260	2,959,130	3,765,900	4,269,100	5,542,680	5,665,550	5,902,630	5,703,520	7,150,930	0.97%
La Plata Electric Association Inc.	5,189,890	5,556,030	6,196,340	7,112,690	6,944,540	6,956,370	6,100,000	6,284,580	6,363,580	6,812,940	0.92%
Logos Operating LLC										4,803,320	0.65%
Oldcastle SW Group Inc.						3,598,790	3,949,770	4,090,380	4,090,380	4,592,440	0.62%
Purgatory Recreation LLC		2,492,250	2,508,270	3,503,710	3,604,120	3,787,000	3,787,000	3,770,980	3,770,980	3,249,400	0.44%
Simcoe LLC								13,155,780	13,153,180		
IKAV Energy Inc.							4,351,620	4,023,320	4,023,320		
Public Service CO of Colorado (Xcel)			2,795,880	3,828,500	3,931,030	3,639,110	3,561,800	3,521,870			
BP America Production	103,907,800	120,204,210	67,333,400	58,297,380	60,944,390	53,229,120					
BP America Production Co	5,536,840	5,523,100	5,524,550	5,600,090	5,592,260	6,153,740					
Enduring Resources LLC					3,887,340	3,765,150					
XTO Energy Inc	11,527,680	11,635,770	6,556,960	5,970,370	6,783,810						
Conoco Phillips Co	13,616,000	18,405,010	8,474,490	7,296,310							
Williams Four Corners LLC	3,926,610		4,292,830	3,943,670							
Glacier Properties Associates LLC				1,536,490							
Chevron Midcontinent LP	7,671,580	9,344,020	3,995,620								
Chevron USA	5,828,950	6,541,790									
Four Star Oil & Gas		5,441,800									
Red Cedar	3,810,670										
	-	-	-	-	-	-	-	-	-	-	-
	164,278,920	188,693,240	110,637,470	100,855,110	112,435,060	107,849,870	120,973,470	102,777,470	122,783,060	174,171,800	23.61%

Source: La Plata County Assessors Office

Note: The report for the principal property tax payers for 2024 was not available from the Assessors office at the time this report was submitted.

**Durango Fire Protection District
General Fund Property Tax Levies and Collections
2015 - 2024**

Fiscal Year	Total Tax Levy for Year	Amount Collected	Percentage of Levy	Collections in Subsequent Years	Total Collections	Percentage of Levy
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%	7,246	4,856,294	98.73%
2022	4,970,956	4,871,429	98.00%	1,819	4,873,248	98.03%
2023	5,153,565	5,093,147	98.83%	-	5,093,147	98.83%
2024	6,719,783	6,675,323	99.34%	1,756	6,677,079	99.36%

Source: Durango Fire Protection District

**Durango Fire Protection District
Ratio of Annual Lease Purchase Obligation Expenditures
to Total Governmental Expenditures
2024**

Fiscal Year	Principal	Interest	Total Lease Payment	Total Governmental Expenditures	Ratio of Lease Payments to Total Governmental Expenditures
2024	\$ 244,080	\$ 294,531	\$ 538,611	\$ 27,252,936	1.98%

Source: Durango Fire Protection District

**Durango Fire Protection District
Ratio of Net Lease Purchase Obligations to
Assessed Value and Net Lease Purchase Obligation Per Capita
2024**

Fiscal Year	Population (1)	Assessed Valuation	Net Lease Obligation	Percentage of Net Lease Obligations To Assessed Value	Net Lease Obligation Per Capita
2024	40,000	\$ 737,557,740	\$ 12,255,920	1.66%	\$ 306

Source: Durango Fire Protection District

(1) Estimate based on data from Colorado Division of Local Government, Demographic Section in cooperation with the U.S. Bureau of Census

**La Plata County, Colorado
Demographic Data
2014 - 2023**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population	53,557	54,300	54,884	55,034	55,731	55,509	55,670	56,171	56,550	56,453
Births	552	579	571	503	459	421	481	437	423	424
Deaths	301	345	351	353	338	345	371	439	464	416
Housing units	26,464	26,672	26,937	27,145	27,670	27,983	28,299	28,556	28,916	29,272
Households	22,164	22,522	22,856	23,015	23,380	23,346	23,547	23,806	23,966	24,093
Average household size	2.33	2.32	2.32	2.31	2.30	2.30	2.29	2.29	2.28	2.26
Registered voters	40,154	41,117	44,828	43,870	43,811	45,238	49,435	48,648	51,281	48,545
Employment	28,651	28,871	30,141	30,449	31,122	30,900	28,885	28,617	29,602	27,968
Unemployment	1,256	991	851	706	884	767	1,984	1,683	932	954
Unemployment rate	4.20%	3.30%	2.70%	2.30%	2.80%	2.40%	6.40%	5.60%	3.10%	3.30%
Total personal income (thousands)	2,864,618	2,919,347	2,891,368	2,892,615	3,144,411	3,279,907	3,378,461	3,656,988	4,047,404	4,318,392
Per capita personal income	53,491	53,767	52,678	52,540	56,394	58,995	60,684	65,107	71,568	76,558

Sources: Colorado Division of Local Government, Demographic Section in cooperation with the U.S. Bureau of Census
Federal 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 2023 is not available as of this date. Data on households and household size is not available for 2020-2022.

**Durango Fire Protection District
Principal Employers
2014 - 2023***

Employer	2014 Employees	2015 Employees	2016 Employees	2018 Employees	2019 Employees	2020 Employees	2023 Employees	2023 Percentage of Total County Employment
Southern Ute Indian Tribe	755	845	795	980	1,545	1,416	1,600	4.5%
Durango School District 9-R	601	632	853	1,011	788	943	998	2.8%
Mercy Medical Center	797	1,200	860	1,321	941	756	901	2.5%
Purgatory Recreation Management LLC	400	479	1,000		850	136	850	2.4%
Fort Lewis College	636	570	660	611	680	673	683	1.9%
La Plata County	326	401	434	458	395	422	445	1.3%
Wal Mart Stores, Inc.	365			322	322	338	437	1.2%
City of Durango	314		546	595	354	328	354	1.0%
Bayfield School District #10					390	226	216	0.6%
Rocky Mountain Chocolate Factory					190	190	200	0.6%
Crossfire		322	705	474				
Sky Ute Lodge and Casino	395	400	425	400				
Worldpay (formerly Mercury)	409	630	365	360				
BP America		221						
San Juan Basin Health								
Total	4,998	5,700	6,643	6,532	6,455	5,428	6,684	18.8%

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 is from the Region 9 Economic Snapshot. Region 9 Economic Development District did not develop data on top employers for 2017 and has begun providing the economic snapshot every two years. The 2022 report contained top employers data for 2020 and the 2024 report contained top employer data for 2023.

**Durango Fire Protection District
Full-time Equivalent Employees
2015 - 2024**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
Fire and EMS										
Firefighters and officers	54	54	54	58	66	69	76	80	83	86
Administrative staff	9	9	9	9	8	8	9	9	9	9
Operational support staff	11	12	12	13	13	13	13	13	13	13
Total Fire and EMS Full-time Employees	74	75	75	80	87	90	98	102	105	108

Source: Durango Fire Protection District

**Durango Fire Protection District
Operating Indicators by Function
2015 - 2024**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
Fire										
Structure and wildland fires	222	364	148	148	98	106	114	105	80	84
Hazardous conditions	116	109	121	91	164	126	169	183	256	259
EMS										
Emergency medical	3,747	4,127	3,713	3,807	3,865	3,939	4,634	4,785	4,920	4,742
Public Service Assistance	29	41	243	218	244	316	278	343	268	260
Good Intent Calls	-	-	761	843	740	734	787	793	722	721
False Alarms	724	441	265	287	301	260	302	348	366	409
Total Calls	<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>	<u>6,557</u>	<u>6,612</u>	<u>6,475</u>
Inspections	<u>809</u>	<u>822</u>	<u>847</u>	<u>N/A</u>	<u>625</u>	<u>530</u>	<u>863</u>	<u>742</u>	<u>916</u>	<u>939</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.

**Durango Fire Protection District
Capital Asset Statistics
2015 - 2024**

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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	2	2	2	2
Fleet										
Engines	18	18	18	18	19	19	19	21	21	20
Tankers	9	9	9	9	9	9	9	10	10	10
75' aerials	2	2	2	2	2	2	3	3	3	4
Ambulances	8	8	9	9	9	10	11	10	13	12
Brush trucks	8	8	8	8	8	9	8	9	9	10
Rescue trucks	3	3	3	3	1	3	1	1	1	1
Other	33	33	33	34	28	37	37	40	40	40

Source: Durango Fire Protection District

**Durango Fire Protection District
Calls by District
2024**

2023 Calls by District	EMS	False Alarm	Fire	Hazardous Cond.	Public Service	Good Intent	Total
DFRA 1 - Bodo	466	53	8	26	20	64	637
DFRA 2 - Downtown	1,387	112	29	80	63	163	1,834
DFRA 3 - 32nd Street	796	116	8	49	68	106	1,143
DFRA 4 - Sunnyside	74	3	1	15	5	15	113
DFRA 5 - Edgemont	66	15	4	6	7	16	114
DFRA 6 - Trimble	167	17	3	6	23	37	253
DFRA 7 - Elmore's Comer	1,262	27	12	33	36	99	1,469
DFRA 8 - Rafter J	34	5	3	6	8	19	75
DFRA 9 - Durango West	50	4	2	10	5	12	83
DFRA 10 - Elkhorn Mountain	0	0	0	0	0	0	0
DFRA 11 - Bondad	47	0	7	6	1	14	75
DFRA 12 - Timberline	67	3	2	6	11	24	113
DFRA 13 - Falls Creek	14	0	1	1	5	7	28
DFRA 14 - Tamarron	25	16	0	4	0	14	59
DFRA 15 - Electra Lake	14	3	0	2	1	9	29
DFRA 16 - Durango Mtn. Resort	157	35	3	8	5	50	258
Mutual Aid	116	0	1	1	2	72	192
Total	4,742	409	84	259	260	721	6,475

Source: Durango Fire Protection District

