TELLURIDE FIRE PROTECTION DISTRICT

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2021

TELLURIDE FIRE PROTECTION DISTRICT

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Board of Directors
Telluride Fire Protection District
Telluride, Colorado

INDEPENDENT AUDITOR'S REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Telluride Fire Protection District (the District), as of and for the year ended December 31, 2021, 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 the major fund of the District as of December 31, 2021, and the respective changes in financial position thereof 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 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 the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 and the budgetary comparison information on page 35 be presented to supplement the basic financial statements. Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB No. 27, requires that the Schedule of the District's Proportionate Share of the Net Pension Liability (Asset) of the FPPA Statewide Defined Benefit Pension Plan, the Schedule of District Contributions to the FPPA Statewide Defined Benefit Pension Plan, the Volunteer Plan Schedule of Changes in Net Pension Liability (Asset) and Related Ratios – Last 10 Years (to be built prospectively), and the Volunteer Plan Schedule of Contributions – Last 10 Years (to be built prospectively) on pages 35 through 39 be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental budgetary comparison information, supplemental Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund and supplemental Schedule of Revenues, Expenditures, and Changes in Fund Balance – Debt Service Fund on pages 40 through 42 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

These supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

DALBY, WENDLAND & CO., P.C.
Grand Junction, Colorado
DATE

Management's Discussion and Analysis

TELLURIDE FIRE PROTECTION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2021

As management of the Telluride Fire Protection District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2021 with comparative information presented for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the District.

Financial Highlights

- In the government-wide financial statements, the District's assets and deferred outflows exceeded its liabilities and deferred inflows by $10,895,684 at December 31, 2021. In addition, the District's revenues and other financing sources were $966,475 greater than expenses for the year ended December 31, 2021. This is discussed on page 7.
- The General Fund reported an ending fund balance of $6,107,056 at December 31, 2021, an increase of $48,713 from the prior year. This is discussed on page 7.
- The Debt Service Fund reported an ending fund balance of $235,313 at December 31, 2021, an increase of $16,546 from the prior year. This is discussed on page 7.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains required and other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position 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 cash flows. Thus, revenues and expenses are reported in the statement of activities for some items that will only result in cash flows in future fiscal periods.

In the government-wide financial statements, the District's activities are shown in one category; *governmental activities*. The District's activities are principally supported by property taxes and charges for services. The government-wide financial statements can be found on pages 10 through 12.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The District's funds are all considered governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the 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 activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The District presents two governmental funds; the General Fund and the Debt Service Fund. The District's governmental funds financial statements can be found on pages 13 through 16.

An annual appropriated budget was adopted for the funds. Budgetary comparison schedules have been provided on pages 35 and 40 to demonstrate compliance with the adopted budget.

Notes to Basic Financial Statements

The notes to the basic financial statements provide additional information that are essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 17 through 34.

Required Supplementary Information (RSI)

The RSI presents additional information that differs from the basic financial statements in that the auditor applies certain limited procedures in reviewing the information. In this report, RSI includes the management's discussion and analysis and General Fund budgetary comparison schedule, as well as certain RSI required by Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) including the:

- Schedule of the District's Proportionate Share of the Net Pension Liability (Asset) of the Statewide Defined Benefit Pension Plan
- Schedule of District Contributions to the FPPA Statewide Defined Benefit Pension Plan
- Volunteer Plan Schedule of Changes in Net Pension Liability / (Asset) and Related Ratios – Last 10 Years (to be built prospectively)
- Volunteer Plan Schedule of Contributions – Last 10 Years (to be built prospectively)

Other Supplemental Information

The Debt Service Fund budgetary comparison schedule and comparison schedules of fund revenues, expenditures, and changes in fund balance for the current year and two prior years have been presented on pages 40 through 42.

Government-wide Financial Analysis

The following summarizes the District's governmental net position as of December 31:

	2021	2020
Assets		
Current and other assets	$ 11,223,380	$ 10,547,753
Capital assets, net	5,496,596	5,576,250
Net pension asset	202,114	51,775
Total Assets	16,922,090	16,175,178
Deferred Outflows of Resources		
Pension plans	785,496	726,360
Total Deferred Outflows of Resources	785,496	726,360
Liabilities		
Current liabilities	443,448	462,528
Noncurrent liabilities	789,569	1,126,159
Net pension liability	833,536	1,038,695
Total Liabilities	2,066,553	2,627,382
Deferred Inflows of Resources		
Unearned property tax revenue	4,296,640	4,083,099
Pension plans	448,709	262,448
Total Deferred Inflows of Resources	4,745,349	4,345,547
Net Position		
Net investment in capital assets	5,975,206	4,236,145
Restricted	339,379	321,346
Unrestricted	4,581,099	5,371,718
Total Net Position	$ 10,895,684	$ 9,929,209

Total assets of the District increased from the prior year primarily due to capitalized expenditures for the acquisition of equipment and the increase in current and other assets, which is a result of increases in property tax receivables due to an increased assessed valuation. The changes in actuarial estimates related to the pension plans resulted in an increase in deferred outflows of resources. Total liabilities decreased from the prior year due to principal payments on long-term liabilities and a decrease in the net pension liability due to changes in actuarial estimates. Deferred inflows of resources increased from the prior year due to an increased mill levy and changes in pension plan actuarial estimates.

The following summarizes the change in the District's governmental net position for the years ended December 31:

	2021	2020
Revenues		
Program revenues:		
Charges for services	$ 527,497	$ 461,527
Wildland fire fees	371,134	303,282
Permits and fees	49,329	35,006
Operating grants	32,435	118,424
General revenues:		
Taxes		
Property taxes	4,049,800	4,025,130
Specific ownership taxes	203,898	184,155
Interest on delinquent taxes	11,606	13,389
Earnings on deposits and investments	2,399	27,995
Miscellaneous	97,119	82,609
Total Revenues	5,345,217	5,251,517
Expenses		
Personnel	2,536,862	1,690,302
Fire prevention	391,200	448,600
General operating	472,251	484,943
General and administrative	478,323	446,606
Ambulance	268,704	388,962
Pension expense	139,701	290,279
Interest	23,479	29,268
Retention/ recruitment fund	75,850	-
Employee rent benefit	18,024	-
Other	6,848	10,156
Total Expenses	4,411,242	3,789,116
Other Financing Sources		
Gain on sale of capital asset	32,500	20,500
Changes in Net Position	966,475	1,482,901
Net Position – January 1	9,929,209	8,446,308
Net Position – December 31	$ 10,895,684	$ 9,929,209

Total revenues of the District increased from the prior year, driven primarily by increases in charges for services of $65,970 or 14%. Total expenses increased 16% from the prior year. Significant activity was driven by increases in salaries and wages from the hiring of new staff. The larger increase in revenue versus expenses resulted in an overall increase in net position.

Financial Analysis of Governmental Funds

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance related legal requirements.

The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District has two major governmental funds, the General Fund and the Debt Service Fund. The General Fund had a fund balance of $6,107,056 as of December 31, 2021, of which $26,066 is nonspendable for prepaid maintenance contracts and insurance, $78,000 is restricted for emergencies, and $769,432 is assigned for capital outlay. The unassigned portion of the fund balance in the amount of $5,233,558 is available for general spending. The Debt Service Fund had a fund balance restricted for debt service of $235,313 as of December 31, 2021, and paid $352,886 in principal and interest during the year then ended.

General Fund Budgetary Highlights

The District amended its originally adopted budget for the General Fund. Total revenues were in excess of expenditures by $10,244 primarily due to the increase in charges for services discussed on the previous page. Total expenditures were $117,935 below budget, mainly due to the Ambulance and Fire prevention expenditures being less than anticipated. The budget amounts as shown on pages 35 and 40 of the financial statements include the adopted budget for the General Fund and Debt Service Fund.

Capital Assets

Replacements, which improve or extend the lives of property, are capitalized. Maintenance, repairs, and equipment replacements of a routine nature are charged to expenditures as incurred and are not capitalized. Significant additions to capital assets during the year include acquisitions of equipment and vehicles. These additions were offset by depreciation expense. The District also has assigned resources at December 31, 2021 for capital expenditures to occur in future years. See Note 1 – Fund Balance Classification. Additional information on the District's capital assets can be found in Note 6.

Long-Term Debt

In January of 2013, the District advance refunded the existing 2004 general obligation bonds. The 2004 bonds were completely paid off in 2014, leaving only the 2013 General Obligation Refunding Bonds. Significant long-term debt activity during the year included scheduled principal payments on the bonds payable. This is discussed further in Note 7.

Economic Factors and Next Year's Budget

The 2021 approved budget reflects a predicted increase in tax revenue from the prior year. In November 2018 taxpayers voted and approved a freeze of the Real Estate Assessment Rate (RAR) to 7.2 and a 2 mill increase in the tax levy effective in budget year 2020. Budgeting remains conservative for the purposes of the general fund, day to day operations and long-term Master Plan projects; however, the District Board of Directors (the Board) accepted management's recommendation to utilize funds from the General Operating Reserve (GOR) to address a significant facility purchase designed by agreements with the Town of Mountain Village (third floor station 2), and equipment and apparatus replacement directed by the Replacement Schedule and the Reserve Fund Philosophy. We continue to utilize our Master Plan to forecast our long-term apparatus and facility needs with the continued intent of maintaining a healthy reserve fund for unanticipated needs.

Request 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 requests for additional financial information should be addressed to the District Chief, P.O. Box 1645, Telluride, CO 81435.

Basic Financial Statements

Government-wide Financial Statements

TELLURIDE FIRE PROTECTION DISTRICT

STATEMENT OF NET POSITION

December 31, 2021

ASSETS		
Cash and investments	$	6,325,631
Receivables:		
Taxes		4,296,640
Emergency medical services (EMS) accounts, net of allowance of $14,000		83,672
Other		12,761
Prepaid expenses		26,066
Deposit on purchase of capital assets		478,610
Capital assets, net of accumulated depreciation, where applicable:		
Land and land improvements		594,122
Buildings and improvements		1,684,894
Fire apparatus, ambulances and other vehicles		2,804,440
Other fire support equipment		413,140
Capital Assets, net		5,496,596
Net pension asset		202,114
Total Assets		16,922,090
DEFERRED OUTFLOWS OF RESOURCES		
Pension related (see Note 8)		785,496
Total Deferred Outflows of Resources	$	785,496

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

STATEMENT OF NET POSITION

December 31, 2021

LIABILITIES		
Accounts payable	$	38,473
Accrued payroll liabilities		67,288
Accrued interest payable		2,687
Bonds payable:		
Due within one year		335,000
Due after one year		723,357
Compensated absences		66,212
Net pension liability		833,536
Total Liabilities		2,066,553
DEFERRED INFLOWS OF RESOURCES		
Unearned revenue - property taxes		4,296,640
Pension related (see Note 8)		448,709
Total Deferred Inflows of Resources		4,745,349
NET POSITION		
Net investment in capital assets		5,975,206
Restricted for:		
Debt service		235,313
Emergencies		78,000
Nonspendable purposes		26,066
Unrestricted		4,581,099
Total Net Position	$	10,895,684

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See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES

For the year ended December 31, 2021

PROGRAM EXPENSES	
Personnel	$ 2,536,862
General operating	472,251
Fire prevention	391,200
General and administrative	478,323
Ambulance	268,704
Interest	23,479
Pension expense	139,701
Retention/recruitment fund	75,850
Employee rent benefit	18,024
Other	6,848
Total Program Expenses	4,411,242
PROGRAM REVENUES	
Charges for services	527,497
Wildland fire fees	371,134
Operating grants	32,435
Permits and fees	49,329
Net Program Expenses	3,430,847
GENERAL REVENUES	
Taxes:	
Property taxes	4,049,800
Specific ownership taxes	203,898
Interest on delinquent taxes	11,606
Earnings on deposits and investments	2,399
Miscellaneous	97,119
Total General Revenues	4,364,822
OTHER FINANCING SOURCES	
Gain on sale of capital asset	32,500
Change in Net Position	966,475
Net Position - January 1, 2021	9,929,209
Net Position - December 31, 2021	$ 10,895,684

See accompanying notes.

Fund Financial Statements

TELLURIDE FIRE PROTECTION DISTRICT

BALANCE SHEET –
GOVERNMENTAL FUNDS

December 31, 2021

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and investments	$ 6,088,099	$ 237,532	$ 6,325,631
Receivables:			
Taxes	3,934,217	362,423	4,296,640
EMS accounts, net of allowance of $14,000	83,672	-	83,672
Other	12,761	-	12,761
Prepaid expenses	26,066	-	26,066
Total Assets	$ 10,144,815	$ 599,955	$ 10,744,770
LIABILITIES			
Accounts payable	36,254	2,219	$ 38,473
Accrued payroll liabilities	67,288	-	67,288
Total Liabilities	103,542	2,219	105,761
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue - property taxes	3,934,217	362,423	4,296,640
Total Deferred Inflows of Resources	3,934,217	362,423	4,296,640
FUND BALANCE			
Nonspendable	26,066	-	26,066
Restricted for:			
Debt service	-	235,313	235,313
Emergencies	78,000	-	78,000
Assigned for capital outlay	769,432	-	769,432
Unassigned	5,233,558		5,233,558
Total Fund Balance	6,107,056	235,313	6,342,369
Total Liabilities, Deferred Inflows of Resources and Fund Balance	**$ 10,144,815**	**$ 599,955**	**$ 10,744,770**

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

December 31, 2021

Total Fund Balance - Governmental Funds		$ 6,342,369
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Accrued compensated absences payable are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.		(66,212)
Long-term debt obligations are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.		(1,030,000)
Original issue net premium is reported as financing sources in the governmental funds when first issued, but deferred and amortized over the life of the debt in the Statement of Net Position.		(28,357)
Accrued interest on debt obligations is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.		(2,687)
Net pension liability, deferred outflows, and deferred inflows related to pensions are not current financial resources and therefore are not reported as assets or liabilities in the governmental funds.		(294,635)
Deposits toward the purchase price of capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		478,610
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Cost of capital assets	$ 11,497,854	
Less accumulated depreciation	(6,001,258)	5,496,596
Total Net Position - Governmental Activities		**$ 10,895,684**

TELLURIDE FIRE PROTECTION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS

For the year ended December 31, 2021

	General Fund	Debt Service Fund	Total Governmental Funds
REVENUES			
Taxes:			
Property taxes	$ 3,689,418	$ 360,338	$ 4,049,756
Specific ownership taxes	185,721	18,177	203,898
Interest on delinquent taxes	9,822	1,784	11,606
Charges for services	527,497	-	527,497
Permits and fees	49,329	-	49,329
Wildland fire fees	371,134	-	371,134
Operating grants	32,435	-	32,435
Earnings on deposits and investments	2,399	-	2,399
Miscellaneous	82,450	-	82,450
Total Revenues	4,950,205	380,299	5,330,504
EXPENDITURES			
Personnel	$ 2,622,875	-	2,622,875
General and administrative	467,456	-	467,456
General operating	472,251	10,867	483,118
Ambulance	268,704	-	268,704
Fire prevention	186,724	-	186,724
Pension expense	139,701	-	139,701
Other	6,849	-	6,849
Capital outlay	769,432	-	769,432
Debt service			
Principal	-	320,000	320,000
Interest	-	32,886	32,886
Total Expenditures	4,933,992	363,753	5,297,745
Excess (Deficit) of Revenues Over (Under) Expenditures	16,213	16,546	32,759
OTHER FINANCING SOURCES			
Proceeds from sale of capital assets	32,500	-	32,500
Total Other Financing Sources	32,500	-	32,500
Net Change in Fund Balance	48,713	16,546	65,259
Fund Balance - January 1	6,058,343	218,767	6,277,110
Fund Balance - December 31	**$ 6,107,056**	**$ 235,313**	**$ 6,342,369**
		$ -	

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

For the year ended December 31, 2021

Net Change in Fund Balance - Total Governmental Funds		$ 65,259
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported as expenditures in the governmental funds; however, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful life as depreciation expense:		
Capital outlay	769,432	
Depreciation expense	(432,849)	336,583
Capital assets donated to the district		14,670
Principal payment on long-term debt obligations is an expense in the governmental funds and a reduction to a liability in the Statement of Net Position.		320,000
Accrued interest on long-term debt obligations is not reported as an expenditure in the governmental funds but is reported as an expense when due in the Statement of Activities.		
December 31, 2020	2,687	
December 31, 2021	(2,687)	-
Amortization of premium on long-term debt is recorded as part of interest expense in the Statement of Activities, but not in the governmental funds.		9,451
Pension income (expense) is not reported in the governmental funds but is reported in the Statement of Activities.		228,373
Compensated absences are recognized as an expenditure in the governmental funds when they are determined to be payable from current financial resources. In the Statement of Activities, compensated absences are recognized as an expense when incurred:		
December 31, 2020	58,351	
December 31, 2021	(66,212)	(7,861)
Change in Net Position of Governmental Activities		**$ 966,475**

See accompanying notes.

Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Telluride Fire Protection District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District's more significant accounting policies are described below:

Financial Reporting Entity

The District is a political subdivision of the State of Colorado, formed in 1966 for the purpose of providing fire protection and emergency medical services to the Telluride, Colorado area. The District is governed by an elected five-member board of directors (the Board).

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. *Governmental activities* are supported by taxes and charges for services. The District has no *business-type activities*, which rely to a significant extent on user charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or program. *Program revenues* include 1) charges to those 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 included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

The accounts of the District are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources, and expenditures for the period.

For the year ended December 31, 2021, the District has two funds, the General Fund, which is the District's primary operating fund that accounts for all financial resources of the District, except those required to be accounted for in another fund; and the Debt Service Fund, which is the fund that accounts for principal and interest payments on outstanding bonds of the District. Both funds are considered major funds. Separate financial statements are provided for governmental funds.

Measurement Focus and Basis of Accounting

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

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if collected within 60 days after year end. Those revenues associated with the current period susceptible to accrual are property taxes, interest revenue, and charges for services. Grant revenues are recognized as they are earned. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with available financial resources.

Pensions

The District participates in two defined benefit pension plans. For purposes of measuring the net pension (assets) liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and pension income/expense, information about the fiduciary net position of pension plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Investments

Money market funds and external investment pools are stated at cost, which is equal to fair value.

The District invests in certificates of deposit (CDs) with varying lengths of maturity. CDs of the District have original maturities of greater than 90 days and are presented as investments on the statements. CDs are reported at cost, which approximates fair value.

Property Taxes

Property taxes for the current year are levied in December of the previous year and attach as a lien on property the following January 1. They are payable in full by April 30, or in two equal installments due February 28, and June 15. Property taxes for 2021 are reported as a receivable and deferred inflow of resources at December 31. The deferred taxes are reported as revenue in the year in which the lien attaches and they are available and collected.

Capital Assets

Capital assets are stated at cost. Donated assets are recorded at their estimated fair market value at the date of donation. The District defines capital assets as assets with an initial cost of more than $10,000. Replacements, which improve or extend the lives of property, are capitalized. Maintenance, repairs, and equipment replacements of a routine nature are charged to expenditures as incurred and are not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	25 - 50 years
Fire apparatus	20 years
Other equipment	3 - 10 years
Ambulances	10 years
Other vehicles	6 years

Long-term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the statement of net position. Bond issuance premiums and discounts, as well as losses on refinancing, are deferred and amortized over the life of the related debt using the straight-line method. Bond obligations payable are reported net of the applicable bond premium or discount and refinancing losses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as program expenses.

In the fund financial statements, issuance costs are recognized when incurred. The face amount of the debt issued, premiums, and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

Vacation

Full-time employees accumulate vacation time after the first full year of employment. Eligible personnel accumulate two weeks of vacation after the first full year of employment up to a maximum of eight weeks (320 hours) after ten years of service. Upon separation, employees receive pay for unused vacation. This liability is recorded in the government-wide financial statements.

Sick Leave

The District provides for the accumulation of paid sick leave benefits for personnel at the rate of four hours for each full month worked. Sick leave is accumulated from year to year up to a maximum of ten days (80 hours). Upon separation, employees do not receive pay for unused sick leave.

Deferred Outflows of Resources and Deferred Inflows of Resources

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* (GASB 63), defines the five elements that make up a statement of financial position to include:

- Assets – resources with a present service capacity under District control
- Deferred Outflows of Resources – consumption of net position by the District that is applicable to a future reporting period
- Liabilities – present obligations to sacrifice resources
- Deferred Inflows of Resources – acquisitions of net position by the District that is applicable to a future reporting period
- Net Position – residual of all other elements presented in a statement of financial position

See Note 8 for detail of the composition of the District's deferred outflows of resources and deferred inflows of resources related to pensions.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing attributable to the acquisition or construction of improvements of those assets. Net position is reported as restricted when there are limitations on their use due to external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Due to and Due from Other Funds

Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which transactions are executed.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District had nonspendable resources for prepaid maintenance contracts and insurance as of December 31, 2021 in the amount of $26,066.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified the Taxpayer's Bill of Rights (TABOR) emergency reserves as being restricted because their use is restricted by State Statute. The District has classified the amount restricted for payment of debt service as being restricted because the use of these resources is restricted by the financial institution with which the District has a revenue bond.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed resources as of December 31, 2021.
- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the District Chief through the budgetary process. The District had assigned resources for future capital outlay as of December 31, 2021 in the amount of $769,432. Through the budgetary process, this amount has been assigned for various capital outlay projects.
- Unassigned: This classification includes the residual fund balance for the General Fund.

The District would typically use committed resources first and then assigned resources as appropriate opportunities arise, but the District reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation between *fund balance* of the *governmental fund* and *net position* of *governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between the *net change in fund balances* of the *governmental fund* and the *changes in net position of governmental activities* as reported in the government-wide statement of activities. These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements.

NOTE 3 - TAX, SPENDING AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, commonly known as TABOR, which has several limitations including revenue raising, spending abilities, debt limitations, and other specific requirements of state and local governments. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. TABOR requires a reserve of 3% of the District's fiscal year spending, excluding bonded debt service. A portion of the District's General Fund balance is classified as restricted for emergencies required by TABOR (see Note 1).

In 2018, the voters authorized the District to increase the mill levy by 2 mills from 2.465 mills to 4.465 mills for taxes collected in 2020 and subsequent years.

NOTE 4 - BUDGETS

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

A. Budgets are required by state law.

B. The budget officer is required to submit a proposed budget to the Board by October 15.

C. Public hearings are conducted by the Board to obtain taxpayer comments.

D. Certification of the mill levies to the Board of County Commissioners and adoption of the budget and appropriations are required by December 15.

E. Expenditures may not legally exceed appropriations at the fund level. Board approval is required for changes in the budget. The District amended its originally adopted 2021 budget. The District expended less than was appropriated during 2021 in the General Fund and Debt Service Fund.

F. Budget appropriations lapse at the end of each year.

G. Budgets are adopted on the modified accrual basis of accounting.

NOTE 5 - DEPOSITS AND INVESTMENTS

The Colorado Public Deposit Protection Act (PDPA) governs the District's deposits. The statutes specify eligible depositories for public cash deposits which must be Colorado institutions and must maintain federal deposit insurance through the Federal Deposit Insurance Corporation (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a market value at least equal to 102% of the uninsured deposits. The Colorado Division of Banking for banks, savings and loan associations is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2021, the carrying amount of the District's deposits with maturities less than one year consisted of the following:

	Bank Balance	Carrying Amount
Cash in checking accounts	$ 1,408,729	$ 1,389,425

At December 31, 2021, the carrying amount of the District's deposits with maturities over one year consisted of the following:

	Bank Balance	Carrying Amount
Certificates of deposit	$ 196,460	$ 196,460

At December 31, 2021, $500,000 was covered by depositor's insurance and $1,085,885 was collateralized under PDPA requirements.

Custodial Credit Risk – Deposits and Investments
Custodial credit risk is the risk that in the event of a bank or investment pool failure, the District would not be able to recover its deposits or the value of its investments. The District's deposits and investments are not deemed to be subject to custodial credit risk as they are covered by the FDIC or are collateralized under PDPA.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest including: obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; local government investment pools; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and guaranteed investment contracts. The District has no investment policy that would further limit its investment choices.

At December 31, 2021 the District had funds in a local government investment pool called COLOTRUST. COLOTRUST is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes. COLOTRUST is routinely monitored by the Colorado Division of Securities with regard to its operations and investments, which are also subject to provisions of C.R.S. Title 24, Article 75, Section 6. The fair value of the investments in COLOTRUST is the same as the value of the pool shares.

COLOTRUST operates similarly to a money market fund and each share is equal in value to $1.00. Investments include U.S. Treasury and Agency securities, the highest rated commercial paper and repurchase agreements collateralized by U.S. Treasury and Agency securities. COLOTRUST is rated AAAm by Standard and Poor's. Financial statements for COLOTRUST may be obtained on their website at www.colotrust.com. COLOTRUST is not exposed to custodial credit risk because its existence is not evidenced by securities that exist in physical or book entry form.

Description	Credit Quality Rating	Maturity	Fair Value
COLOTRUST Plus+	AAAm	N/A	$ 4,739,746

Interest Rate Risk – Investments
Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board. The Board has not adopted an investment policy that allows investment maturities greater than five years.

Concentrations of Credit Risk – Deposits and Investments
Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer or institution. The District holds 82% of its cash deposits in one financial institution. The District holds 96% of its investments in one financial institution, 4% in a second financial institution, and 4% in a third financial institution.

NOTE 6 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2021 was as follows:

	Balance December 31, 2020	Increases	Decreases	Balance December 31, 2021
Non-depreciable capital assets				
Land and land improvements	$ 594,122	$ -	$ -	$ 594,122
Total non-depreciable capital assets	594,122	-	-	594,122
Depreciable capital assets				
Buildings and improvements	4,105,180	-	-	4,105,180
Fire apparatus, ambulances and other vehicles	5,614,277	289,203	(141,700)	5,761,780
Other fire support equipment	985,854	67,042	(16,124)	1,036,772
Total depreciable capital assets	10,705,311	356,245	(157,824)	10,903,732
Less accumulated depreciation for:				
Buildings and improvements	(2,334,499)	(85,787)	-	(2,420,286)
Fire apparatus, ambulances and other vehicles	(2,803,078)	(295,962)	141,700	(2,957,340)
Other fire support equipment	(585,606)	(54,150)	16,124	(623,632)
Total accumulated depreciation	5,723,183	(435,899)	157,824	(6,001,258)
Total capital assets being depreciated, net	4,982,128	(79,654)	-	4,902,474
Total capital assets, net	$ 5,576,250	$ (79,654)	$ -	$ 5,496,596

Depreciation expense was charged to functions/programs of the District as follows: ambulance $54,150; fire prevention $292,912; and general operating $85,787.

NOTE 7 - LONG-TERM LIABILITIES

Land Leases

The District leases land from the Town of Telluride (the Town) on which the District's main facility resides, under an agreement dated June 17, 1997. The lease expires June 30, 2085 and requires an annual rental of $10. The building and improvements, excluding equipment, are part of the leased premises. The District has the first right of refusal to purchase the leased premises should the Town desire to sell the leased premises.

The District has an intergovernmental agreement with the Mountain Village Metropolitan District and the Town of Mountain Village, dated August 8, 2010, relating to ownership of a joint service facility on land owned by the District located in Mountain Village, Colorado. The agreement continues indefinitely, subject to annual appropriation by the entities. Each entity has an undivided ownership interest in the joint facility in accordance with the following percentages:

Telluride Fire Protection District 54%

Town of Mountain Village 46%

The District leases land from San Miguel County, Colorado for a facility in Placerville, Colorado. The lease, dated December 18, 1984, is for a period of 99 years and requires no rental payments.

General Obligation Bonds

In February 2013, the District issued General Obligation Refunding Bonds, Series 2013 (GO Refunding Bonds 2013) of $3,080,000. Principal is payable annually on December 1 beginning on December 1, 2015, with interest (rates from 2.0% to 2.5%) payable semiannually beginning June 1, 2013 and semi-annually thereafter maturing on December 1, 2024. The net proceeds were used to advance refund the GO Bonds 2004 maturing on and after December 1, 2015. Additionally, the total proceeds received by the District included a net reoffering premium of $113,416 and proceeds from the sale of registered B coupons amounting to $210,022. The premium is amortized over the life of the GO Refunding Bonds 2013. All of the taxable property in the District is subject to the levy of an ad valorem tax to pay the principal of, interest on, and premium, if any, on the GO Refunding Bonds 2013 without limitation as to rate and in an amount sufficient to pay the Bonds when due.

The minimum future obligations on the GO Refunding Bonds 2013, are as follows:

Year	Principal	Interest	Total
2022	$ 335,000	$ 25,750	$ 360,750
2023	340,000	17,375	357,375
2024	355,000	8,875	363,875
Total minimum future obligations payments	$ 1,030,000	$ 52,000	$ 1,082,000

Changes in long-term liabilities:

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Due Within One Year
GO refunding bonds 2013	$ 1,350,000	$ -	$ (320,000)	$1,030,000	$ 335,000
Original issue premium, net	37,808	-	(9,451)	28,357	-
Long-term debt	1,387,808	-	(329,451)	1,058,357	335,000
Accrued compensated absences	58,351	33,258	(25,397)	66,212	-
Total long-term liabilities	$ 1,446,159	$ 33,258	$ (354,848)	$ 1,124,569	$ 335,000

Interest expense of $23,479 on long-term debt has been included in the direct expenses of individual functions on the government-wide statement of activities, it is comprised of Bond Debt Service Interest of $32,150 and Bond Fees of $780. It is offset by Bond Premium (Discount Amortization) of $9,451, thus arriving at the total of $23,479. Authorization for general long-term debt is specific to a particular purpose; thus, an objective connection can be made to a specific program. All interest on long-term debt is reported as a direct expense of the program for which borrowing is related.

On February 1, 2022, the District entered into an equipment lease-purchase agreement for $1,240,000 with Community Leasing Partners, a division of Community First National Bank, to purchase vehicles for the District and for the Station 2 third floor. The agreement is collateralized by the vehicles purchased under the agreement. The District is obligated to make annual payments of $264,176, including principal and interest at an interest rate of 2.72 percent, each June 15 beginning June 15, 2022 and ending June 15, 2026. The agreement requires compliance with specified covenants and obligations. (see Note 10).

NOTE 8 - PENSION PLANS

Paid Full-Time Personnel

The District participates in the Statewide Defined Benefit Plan (SWDB Plan), a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The SWDB Plan became effective January 1, 1980.

The SWDB Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and separate retirement Account assets from eligible retired members).

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

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of serve and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.50 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5.00 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2.00 percent of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.50 percent for each year of service thereafter.

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

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.50 percent annually through 2022 to a total of 12.00 percent of pensionable earnings. Employer contributions are 8.00 percent and 8.50 in 2020 and 2021. Employer contributions will increase 0.50 percent annually beginning in 2021 through 2030 to a total of 13.00 percent of pensionable earnings. In 2020, members of the SWDB plan and their employers are contributing at the rate of 11.00 percent and 8.00 percent, respectively, of pensionable earnings for a total contribution rate of 19.00 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 23.00 percent and 23.50 percent of pensionable earnings in 2020 and 2021, respectively. It is a local decision as to whether the member or employer pays the additional 4.00 percent contribution. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4.00 percent contribution, to reflect the actual cost of reentry by the department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 5.50 percent and 4.00 percent, respectively, of pensionable earnings for a total contribution rate of 9.50 percent in 2020 and 9.75 percent in 2021. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6.00 percent of pensionable earnings. Employer contributions are 4.00 percent and 4.25 percent in 2020 and 2021. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.50 percent of pensionable earnings.

At December 31, 2020, the total pension liability for the SWDB Plan was $3,230,485,701, the plan fiduciary net position was $3,447,586,098, the net pension asset was $217,100,397, and the plan fiduciary net position as a percentage of the total pension liability was 106.7 percent.

At December 31, 2020, the District's proportion of the net pension asset of the SWDB Plan was 0.0931 percent, which was an increase of 0.0016 percent from its proportion measured as of December 31, 2019.

At December 31, 2021, the District reported a net pension asset of $202,114 for its proportionate share of the SWDB Plan net pension asset. The net pension asset was measured as of December 31, 2020. The collective total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021. The actuarially determined contributions as of December 31, 2020 are based on the January 1, 2020 actuarial valuation. For the year ended December 31, 2021, the District recognized pension income of $191,458 related to the SWDB Plan.

Employer contributions recognized by the SWDB Plan from the District were $59,821 for the year ended December 31, 2021.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to the SWDB Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	$ -	$ 207,600
Changes in assumptions	85,962	-
Difference between actual and expected experience	171,412	804
Changes in the employer's proportion and differences between the employer's contributions (other than those to separately finance specific liabilities of the individual employer to the plan) and the employer's proportionate share of contributions	41,006	10,033
Total	$ 298,380	$ 218,437

The deferred outflows of resources and deferred inflows of resources related to pensions are included with total deferred outflows of resources and total deferred inflows of resources on the statement of net position. Deferred outflows of resources of $55,858 related to FPPA pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the FPPA net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the years ending December 31,	**Amounts Recognized in Pension Expense**
2021	$ (22,709)
2022	$ 4,218
2023	$ (30,708)
2024	$ 4,611
2025	$ 37,087
Thereafter	$ 56,472
Total	$ 48,971

The actuarial valuations for the SWDB Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2020. The valuation used the following actuarial assumption and other inputs:

	Total Pension Liability	**Actuarial Determined Contributions**
Actuarial Valuation Date	January 1, 2021	January 1, 2020
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.50 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are summarized in the following table.

Asset Class	**Target Allocation**	**Long-Term Expected Rate of Return**
Global Equity	39.00%	8.23%
Long Short	8.00%	6.87%
Private Markets	26.00%	10.63%
Fixed Income – Rates	10.00%	4.01%
Fixed Income – Credit	5.00%	5.25%
Absolute Return	10.00%	5.60%
Cash	2.00%	2.32%
Total	100.00%	

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.00 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)), and the resulting Single Discount Rate is 7.00 percent.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension (asset) liability	$ 203,396	$ (202,114)	$ (537,926)

Pension plan fiduciary net position. Detailed information about the SWDB's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at www.coFPPA.org/investments/FPPA-financial-reports.

Volunteer Firefighters

The 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 comprehensive annual financial report that can be obtained at http://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.

The District is trustee of a single-employer defined benefit pension plan for all volunteer firefighters (Volunteer Plan). The Volunteer Plan is administered by the FPPA. The Volunteer Plan's Board of Trustees is comprised of the District's Board and firefighters in accordance with Colorado statutes.

The Volunteer Plan provides normal retirement benefits, disability retirement, and survivor benefits. Fully vested firefighters receive the maximum benefit in an amount reviewed every other year during the actuarial review process. Firefighters who have attained both 50 years of age and completed 20 years of active service in any fire department in the State of Colorado are fully vested and are eligible for a normal retirement benefit. Firefighters with 10 to 20 years of service are also eligible for a reduced monthly benefit based off an amount per year of service that is also reviewed every other year during the actuarial review process. Upon death, the surviving spouse receives a monthly pension equal to 50 percent of the benefit previously received, payable until death or remarriage. The District has fifty-five retirees, including beneficiaries, five inactive member, and forty-five active members in the Volunteer Plan as of January 1, 2021, the actuarial valuation date.

At December 31, 2021, the District reported a net pension liability of $833,536 related to the Volunteer Plan. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll forward the total pension liability to December 31, 2020.

At December 31, 2021 the total pension liability was $3,475,500, the plan fiduciary net position was $2,641,964, and the plan fiduciary net position as a percentage of the total pension liability was 76.02 percent. For the year ended December 31, 2021, the District recognized pension expense of $91,973 related to the Volunteer Plan.

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to the Volunteer Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 150,684	$ -
Changes in assumptions	22,462	-
Net difference between expected and actual earnings on pension plan investments	63,805	233,056
Total	$ 236,951	$ 233,056

The deferred outflows of resources and deferred inflows or resources related to the Volunteer Plan are included with total deferred outflows of resources and total deferred inflows of resources on the statement of net position.

Deferred outflows of resources of $139,701 related to the Volunteer Plan, resulting from contributions subsequent to the measurement date of December 31, 2020 will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the years ending December 31,	
2022	$ 44,196
2023	$ 30,783
2024	$ (41,468)
2025	$ (29,616)
2026	$ -
Thereafter	$ -
Total	$ 3,895

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to FPPA. No employer contributions were recognized by the FPPA from the District for the year ended December 31, 2020.

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, 2019, determines the contribution amounts for 2020 and 2021.

Methods and assumptions used to determine contribution rates for the year ended December 31, 2020 were as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 Years*
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50.00% per year of eligibility until 100.00% at age 65.
Mortality	**Pre-retirement**: 2006 central rates from the RP-2014 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. **Post-retirement**: 2006 central rates from the RP-2014 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. **Disabled**: 2006 central rates from the RP-2014 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

* Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.00 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.

Long-term expected return on plan assets. 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 real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	2.00%	2.32%
Fixed Income – Rates	10.00%	4.01%
Fixed Income – Credit	5.00%	5.25%
Absolute Return	10.00%	5.60%
Long Short	8.00%	6.87%
Global Equity	39.00%	8.23%
Private Markets	26.00%	10.63%
Total	100.00%	

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability	$ 1,194,256	$ 833,536	$ 529,244

Deferred Compensation Retirement Plan

The District offers its employees a deferred compensation plan (the Compensation Plan), created in accordance with Internal Revenue Code Section 457, administered by the FPPA. The Compensation Plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

All property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in the Compensation Plan trusts for the exclusive benefit of participants and their beneficiaries. FPPA is trustee of the trusts. The District has no ownership interest in the Compensation Plan nor is the District liable for losses under the Compensation Plan.

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims have not exceeded this commercial coverage in any of the past three years.

The World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global, national, and local markets, supply chains, businesses, and communities. Specific to the District, COVID-19 may impact various parts of its operations and financial results if a COVID-19 outbreak were to occur. Management believes the District is taking appropriate actions to mitigate any negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of December 31, 2021.

NOTE 10 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through DATE, the date which the financial statements were available to be issued.

On February 1, 2022, the District entered into an equipment lease-purchase agreement for $1,240,000 with Community Leasing Partners, a division of Community First National Bank, to purchase vehicles for the District and for the Station 2 third floor. The agreement is collateralized by the vehicles purchased under the agreement. The District is obligated to make annual payments of $264,176, including principal and interest at an interest rate of 2.72 percent, each June 15 beginning June 15, 2022 and ending June 15, 2026. The agreement requires compliance with specified covenants and obligations.

Required Supplemental Information

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND

For the year ended December 31, 2021

	Original Budget	Final Budget	Actual	Favorable (Unfavorable) Variance
REVENUES				
Taxes:				
Property taxes	$ 3,719,027	$ 3,719,027	$ 3,689,418	$ (29,609)
Specific ownership taxes	100,000	170,000	185,721	15,721
Interest on deliquent taxes	-	-	9,822	9,822
Charges for services	450,000	490,000	527,497	37,497
Wildland fire fees	200,000	370,000	371,134	1,134
Permits and fees	35,000	45,000	49,329	4,329
Operating grants	-	25,000	32,435	7,435
Earnings on deposits and investments	30,000	3,000	2,399	(601)
Miscellaneous	-	-	82,450	82,450
Total Revenues	4,534,027	4,822,027	4,950,205	128,178
EXPENDITURES				
Personnel	2,136,776	2,521,656	2,622,875	(101,219)
General and administrative	449,121	480,071	467,456	12,615
General operating	403,000	503,000	472,251	30,749
Ambulance	288,500	308,500	268,704	39,796
Fire prevention	203,000	233,000	186,724	46,276
Pension expense	139,701	139,701	139,701	-
Other	165,000	95,000	6,849	88,151
Capital outlay	860,000	771,000	769,432	1,568
Total Expenditures	4,645,098	5,051,928	4,933,992	117,936
Excess of Revenues Over Expenditures	(111,071)	(229,901)	16,213	10,242
OTHER FINANCING SOURCES				
Proceeds from sale of capital asset	-	32,500	32,500	-
Total Other Financing Sources	-	32,500	32,500	-
Net Change in Fund Balance	$ (111,071)	$ (197,401)	48,713	$ 246,114
Fund Balance - January 1			6,058,343	
Fund Balance - December 31			$ 6,107,056	

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET OF THE FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

As of December 31, *

	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.0931%	0.0915%	0.0978%	0.1071%	0.1192%	0.1151%
District's proportionate share of the net pension asset (liability)	$ 202,114	$ 51,775	$ (126,614)	$ 154,078	$ (43,055)	$ 2,029
District's covered payroll	$ 1,421,382	$ 749,144	$ 654,945	$ 634,144	$ 610,168	$ 557,941
District's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	14.22%	6.91%	19.33%	24.30%	7.06%	0.36%
Plan fiduciary net position as a percentage of the total pension asset (liability)	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%

* The amounts presented for the years shown above were determined as of and for the calendar years ended December 31, 2020, 2019, 2018, 2017, 2016, and 2015 (the Plan's measurement periods) occurring prior to the District's calendar years ended December 31, 2021, 2020, 2019, 2018, 2017, and 2016 in accordance with Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS TO THE FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

For the Years Ended December 31,

	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$ 120,817	$ 59,931	$ 53,978	$ 50,116	$ 48,785	$ 48,785
Contributions in relation to the statutorily required contribution	(120,817)	(59,931)	(53,978)	(50,116)	(48,785)	(48,785)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 1,421,382	$ 749,144	$ 674,730	$ 654,945	$ 634,144	$ 610,168
Contributions as a percentage of covered payroll	8%	8%	8%	8%	8%	8%

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
VOLUNTEER PLAN SCHEDULE OF CHANGES IN NET PENSION LIABILITY / (ASSET) AND RELATED RATIOS
LAST 10 YEARS (to be built prospectively)
As of December 31, *

Measurement period ending December 31:	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service cost	$ 28,850	$ 28,850	$ 28,376	$ 28,376	$ 29,492	$ 29,492
Interest on the total pension liability	221,783	220,530	216,737	214,109	196,579	194,198
Difference between expected and actual experience of the total pension liability	192,085	-	99,442	-	129,780	-
Changes of assumptions	-	-	133,690	-	80,440	-
Benefit payments	(238,700)	(224,502)	(211,258)	(203,760)	(200,317)	(183,887)
Net change in total pension liability	204,018	24,878	266,987	38,725	235,974	39,803
Total pension liability - beginning	3,271,482	3,246,604	2,979,617	2,940,892	2,704,918	2,665,115
Total pension liability - ending	$ 3,475,500	$ 3,271,482	$ 3,246,604	$ 2,979,617	$ 2,940,892	$ 2,704,918
Plan Fiduciary Net Position						
Employer contributions	$ 262,701	$ -	$ 123,000	$ 123,000	$ 123,000	$ 123,000
Net investment income	307,869	290,402	1,115	271,830	93,928	31,605
Benefit payments	(238,700)	(224,502)	(211,258)	(203,760)	(200,317)	(183,887)
Pension plan administrative expense	(16,682)	(25,194)	(23,230)	(22,030)	(3,078)	(4,993)
State of Colorado supplemental discretionary payment	93,989	70,245	70,245	69,156	69,156	91,969
Net change in plan fiduciary net position	409,177	110,951	(40,128)	238,196	82,689	57,694
Plan fiduciary net position - beginning (market value of assets at beginning of y	2,232,787	2,121,836	2,161,964	1,923,768	1,841,079	1,783,385
Plan fiduciary net position - ending (market value of assets at end of year)	$ 2,641,964	$ 2,232,787	$ 2,121,836	$ 2,161,964	$ 1,923,768	$ 1,841,079
Net Pension Liability	833,536	1,038,695	1,124,768	817,653	1,017,124	863,839
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.02%	68.25%	65.36%	72.56%	65.41%	68.06%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A

* The amounts presented for the years shown above were determined as of and for the calendar years ended December 31, 2020, 2019, 2018, 2017, 2016 and 2015 (the Plan's measurement periods) occurring prior to the District's calendar years ended December 31, 2021, 2020, 2019, 2018, 2017 and 2016 in accordance with Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions.*

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

VOLUNTEER PLAN SCHEDULE OF CONTRIBUTIONS
LAST 10 YEARS (to be built prospectively)

For the Year Ended December 31, 2020

FY Ended December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2020	$ 139,701	$ 356,690	$ (216,989)	N/A	N/A
2019	$ 112,777	$ 70,245	$ 42,532	N/A	N/A
2018	$ 112,777	$ 193,245	$ (80,468)	N/A	N/A
2017	$ 104,620	$ 192,156	$ (87,536)	N/A	N/A
2016	$ 104,620	$ 192,156	$ (87,536)	N/A	N/A
2015	$ 122,564	$ 214,969	$ (92,405)	N/A	N/A

* Includes both employer and State of Colorado Supplemental Discretionary Payment.

Other Supplemental Information

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – DEBT SERVICE FUND

For the year ended December 31, 2021

	Original Budget	Final Budget	Actual	Favorable (Unfavorable) Variance
REVENUES				
Taxes:				
Property taxes	$ 364,072	$ 364,072	$ 360,338	$ (3,734)
Specific ownership taxes	-	-	18,177	18,177
Interest on delinquent taxes	-	-	1,784	1,784
Total Revenues	364,072	364,072	380,299	16,227
EXPENDITURES				
General operating	10,922	10,922	10,867	55
Debt service				
Principal	320,000	320,000	320,000	-
Interest	33,150	33,150	32,886	264
Total Expenditures	364,072	364,072	363,753	319
Excess of Revenues Over Expenditures	-	-	16,546	16,546
Net Change in Fund Balance	$ -	$ -	16,546	$ 16,546
Fund Balance - January 1			218,767	
Fund Balance - December 31			$ 235,313	

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GENERAL FUND

For the years ended December 31, 2021, 2020, and 2019

	2021	2020	2019
REVENUES			
Taxes:			
Property taxes	**$ 3,689,418**	$ 3,668,051	$ 1,885,024
Specific ownership taxes	**185,721**	167,692	92,959
Interest on delinquent taxes	**9,822**	11,525	4,337
Charges for services	**527,497**	461,527	541,406
Permits and fees	**49,329**	35,006	27,481
Wildland fire fees	**371,134**	303,282	209,053
Operating grants	**32,435**	118,424	43,722
Earnings on deposits and investments	**2,399**	27,995	78,605
Miscellaneous	**82,450**	82,609	115,315
Total Revenues	**4,950,205**	4,876,111	2,997,902
EXPENDITURES			
Personnel	**2,622,875**	1,675,758	1,559,403
General and administrative	**467,456**	446,606	326,045
General operating	**472,251**	418,359	316,769
Ambulance	**268,704**	303,175	258,959
Fire prevention	**186,724**	166,618	180,155
Pension expense	**139,701**	139,701	123,000
Other	**6,849**	10,157	27,829
Capital outlay	**769,432**	100,568	527,093
Total Expenditures	**4,933,992**	3,260,942	3,319,253
Excess (Deficiency) of Revenue Over (Under) Expenditures	**16,213**	1,615,169	(321,351)
OTHER FINANCING SOURCES			
Proceeds from sale of capital assets	**32,500**	20,500	8,474
Total Other Financing Sources	**32,500**	20,500	8,474
Net Change in Fund Balance	**48,713**	1,635,669	(312,877)
Fund Balance - January 1	**6,058,343**	4,422,674	4,735,551
Fund Balance - December 31	**$ 6,107,056**	$ 6,058,343	$ 4,422,674

See accompanying notes.

TELLURIDE FIRE PROTECTION DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – DEBT SERVICE FUND

For the years ended December 31, 2021, 2020, and 2019

	2021	2020	2019
REVENUES			
Taxes:			
Property taxes	**$ 360,338**	$ 357,079	$ 365,525
Specific ownership taxes	**18,177**	16,463	18,026
Interest on delinquent taxes	**1,784**	1,864	839
Total Revenues	**380,299**	375,406	384,390
EXPENDITURES			
General operating	**10,867**	10,773	11,016
Debt service			
Principal	**320,000**	315,000	310,000
Interest	**32,886**	39,236	45,399
Total Expenditures	**363,753**	365,009	366,415
Net Change in Fund Balance	**16,546**	10,397	17,975
Fund Balance - January 1	**218,767**	208,370	190,395
Fund Balance - December 31	**$ 235,313**	$ 218,767	$ 208,370

See accompanying notes.