



# *Durango Fire Protection District*

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## **Work Session**

**Tuesday, August 10, 2016 7:32 am**  
**DFPD Station One – Board Room**

The Durango Fire Protection District Board of Directors Work Session was called to order by President Kathy Morris at 7:32 am. Board members present for the Call to Order were: Kathy Morris, Joe Lloyd, Patti Zink, Wayne Barger, Matt Leeder, Jerry Martinez, and Andrew Miller. Staff members included Chief Hal Doughty, Deputy Chief Randy Black, Finance Director Eric Baker and Fire Marshal Karola Hanks. Legal Counsel Bud Smith was also in attendance.

## DISCUSSION

- 2015 Durango Fire Protection District CAFR

Finance Director Eric Baker reviewed the 2015 Comprehensive Annual Financial Report (CAFR) with the Board. The only substantial change in the financials from prior years was a large increase in long-term liabilities due to new accounting standards adopted by the Governmental Accounting Standards Board (GASB). GASB Standard 68 set new accounting and financial reporting requirements for defined benefit retirement plans administered for governmental employers. DFPD now recognizes a net pension liability and a net pension asset in their statement of net position. This asset or liability is the difference between the total pension liability (actuarial accrued liability) and plan assets at fair value. GASB 68 is an accounting standard and does not dictate methods and assumptions for determining pension contribution amounts. In addition to the changes to the statement of net position, GASB 68 requires additional disclosure in the notes for each pension as well as additional required supplementary information for the past 10 years including sources of changes in net pension liability as well as indication of how the actual annual contribution compared to the required annual contribution to the pension. Three of the five pension plans reported in DFPD's CAFR were affected by GASB 68: PERA (Administration), FPPA (Firefighters), and FPPA (Volunteers). The ICMA fund is a defined contribution fund and does not fall under GASB 68 requirements, and the "City of Durango Old Hire Plan" is no longer contributed to by DFPD. Any net pension liability or asset for this pension fund will be shown in the City's financials. The Board had approved the CAFR for submittal to the State at the July 26th regular Board Meeting and plans on a final approval at the August 23rd regular Board Meeting.


- Capital Improvement Impact Fees

President Morris expressed the need for a matrix or formula to explain the system of impact fees. It is imperative for the Board to stand in partnership with the City and County to be successful in implementing impact fees. Chief Doughty will ask Gabe Preston, RPI Consultant, about a standardize system that takes occupancy type and adjusts the cost factor for impact fees. What must be considered is how much DFPD is impacted as a result of call volume – how many times the fire department responds to a specific location; and the proportionate share. The oil and gas decline has forced DFPD along with many other entities in La Plata County to seek out other means of funding.

The impact fees will affect the fire district's service; the Board also needs to look at the payroll aspect. Keeping payroll lower poses a risk for DFPD to lose the well-educated, highly certified people; they will leave Durango for better paying jobs.

Treasurer Patti Zink suggested that other fire districts be contacted (that implemented impact fees) to find out what they did to be successful. The Board discussed compiling stories relevant to the fire district and send out in a mailer as educational information. It's the Board that will bring the fire district to the forefront of the community's awareness.

President Morris adjourned the meeting at 9:40 am.

  
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Kathleen Morris, President

8/23/16  
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Date

Attest:

  
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CJ Weaver, Executive Assistant