



Colorado River Fire Protection District

1850 Railroad Avenue • Rifle, Colorado 81650

Telephone: (970) 625-1243 • Fax: (970) 625-2963 • www.crfr.us

LETTER OF BUDGET TRANSMITTAL

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

Date: January 31, 2020

Attached is the 2020 Budget for the Colorado River Fire Protection District (CRFPD) submitted pursuant to Section 29-1-113, C.R.S.

This Budget was adopted at a meeting of the Board of Directors on December 10, 2019. If there are any questions on the Budget, please contact P.J. Tillman at 970-625-1243 x20 or at the Colorado River Fire Protection District's Administrative Office, 1850 Railroad Avenue, Rifle, Colorado 81650.

The mill levy, net of temporary property tax credits, certified to the Garfield County Commissioner is **6.102 mills** for all general operating purposes. Based on the net assessed valuation of **\$745,562,180**, the property tax revenue for general operating expenses is **\$4,549,420**.

I, P.J. Tillman, hereby certify that the enclosed are true and accurate copies of the Budget and Certification of Tax Levies to the Board of County Commissioners of Garfield County, Colorado.

P.J. Tillman
Administrative Director / Budget Officer



2020 BUDGET MESSAGE

(Pursuant to 29-1-103(l)(e), C.R.S.)

SERVICES PROVIDED

The Colorado River Fire Protection District, a Colorado Special District, is a political subdivision of the State of Colorado formed in 2012 for the purpose of furnishing fire protection, fire prevention (through inspections and plan reviews), fire investigations, wildfire mitigation, hazardous materials containment, and emergency medical care and transport services to the communities of Rifle, Silt, and New Castle, Colorado, as well as the surrounding rural areas. Additionally, the District now provides wildland cooperators services throughout the country. The District's service area is approximately 851 square miles. The District was created as the result of a merger between the former Burning Mountains Fire Protection District (BMFPD) and the former Rifle Fire Protection District (RFPD). The District is governed by an elected five-person Board of Directors. The District will continue to provide the highest level of service to the citizens of the communities it serves.

BASIS OF ACCOUNTING

Revenues and expenditures of the District's General Fund are recognized on the modified accrual basis of accounting. The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to governments. The accounts of the District are organized on the basis of funds and sub-funds for its internal managerial purposes. All accounting entries comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate.

IMPORTANT HIGHLIGHTS – GENERAL FUND BUDGET

The General Fund is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The major revenue sources are local property taxes and charges for services. Expenditures include all costs associated with the daily operations of the District. The 2020 General Fund Budget for Colorado River Fire Protection District (CRFPD) includes the following important highlights:

- The assessed valuation for the District is \$745,562,180. The District has certified a mill levy of 6.102 mills, which equates to \$4,549,420.
- Total revenues from additional sources, including specific ownership taxes, charges for services, and grant revenues, are projected to be \$1,651,579. Projected expenditures are \$8,223,733, including \$2,022,734 of reserve funds to maintain a zero balance budget.
- Property valuations within the District were up marginally by 2.2% in 2019, primarily due to the growing area housing market and related increase in property values. This resulted in a \$101,730 increase in property tax revenues.



2020 BUDGET MESSAGE - CONTINUED

IMPORTANT HIGHLIGHTS: GENERAL FUND BUDGET - CONTINUED

- The 2020 *General Fund Budget* includes revenues and expenditures for two sub-funds, the Community Cares Fund and the RFPD Project Fund.
- The District will continue to fund \$50,000 to the District's BMFPD Volunteer Firefighter's Pension Fund in 2020 and will apply for the maximum allowable grant funds from the State of Colorado.

IMPORTANT HIGHLIGHTS: CAPITAL FUND BUDGET

The Capital Projects Fund is the District's capital fund and is used to account for major capital purchases. The major revenue sources are interest earned and transfers from the General Fund. Expenditures include all costs associated with the purchase of major capital. The 2020 Capital Funds Budget includes the following important highlights:

- The 2020 *Capital Fund Budget* has projected revenues of \$196,245 from all sources and projected expenditures of \$283,050, including \$86,805 in capital reserve funds to maintain a zero based budget.
- The Capital Fund Budget includes \$283,050 in appropriations for replacement of equipment. The total cost of the equipment will be offset by \$122,745 in grant funds.

BUDGET PREPARATION AND APPROVAL:

Prior to October 15, the Administrative Director submits to the District's Board of Directors a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain the taxpayers' comments. Prior to December 15, the budget is legally enacted through passage of a resolution. A budget is adopted for the General Fund and Capital Projects Fund. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Appropriations lapse at the end of each calendar year.

A copy of this budget is available at:

**Colorado River Fire Protection District
Administrative Offices
1850 Railroad Avenue
Rifle, Colorado 81650**

Phone: (970) 625-1243 x20

Email: pj.tillman@crfr.us



Colorado River Fire Protection District

2020 Budget



MISSION AND VALUES

Our Mission:

We are dedicated to protecting life, home, and property through leadership, education and partnerships.

Our Values:

We serve with Dignity, Honesty, Integrity, and Pride.

DIGNITY

We show dignity through a positive attitude, enthusiasm, and encouragement.

HONESTY

We serve with utmost moral character - being truthful, straightforward, and sincere.

INTEGRITY

We do the right thing - being honest, transparent, and accountable.

PRIDE

We are proud and take satisfaction in providing a high quality of service.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Garfield, Colorado.

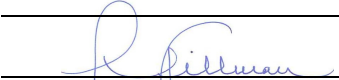
On behalf of the Colorado River Fire Protection District,
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Colorado River Fire Protection District
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 746,504,230 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 745,562,180 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2019 for budget/fiscal year 2020
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>6.102</u> mills	\$ <u>4,549,420</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	6.102 mills	\$ 4,549,420
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	6.102 mills	\$ 4,549,420

Contact person: (print) P.J. Tillman Daytime phone: (970) 625-1243 x20
 Signed:  Title: Administrative Director/Budget Officer

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).



RESOLUTION NO. 2019-12-01

BOARD OF DIRECTORS OF THE
COLORADO RIVER FIRE PROTECTION DISTRICT
GARFIELD COUNTY, COLORADO

RESOLUTION

- A) ADOPTING A BUDGET FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2020 AND ENDING ON THE LAST DAY OF DECEMBER, 2020;
- B) APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS, IN THE AMOUNTS AND FOR THE PURPOSES AS SET FORTH IN THE BUDGET FOR FISCAL YEAR 2020; AND,
- C) CERTIFYING AND LEVYING PROPERTY TAXES TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2020 BUDGET YEAR.

WHEREAS, on or before October 15, 2019, the Budget Officer for the Colorado River Fire Protection District prepared and submitted to the Fire District's Board of Directors a proposed budget for fiscal year 2020;

WHEREAS, upon due and proper notice, published and posted in accordance with the law: 1) the proposed 2020 budget was open for inspection by the public at the Fire District's administrative offices; 2) a public hearing was held on October 8, November 12, and December 10, 2019; and 3) interested taxpayers were given the opportunity to file or register any objections to the proposed 2020 budget prior to the public hearing;

WHEREAS, no objections were filed or registered prior to, or voiced during, the public hearing;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues, so that the proposed 2020 budget remains in balance, as required by law;

WHEREAS, it is not only required by law, but also necessary to appropriate revenues to and from the Fire District's funds for the purposes described in the proposed 2020 budget to meet the estimated expenditures for 2020; and,

WHEREAS, it is necessary for the Fire District Board to certify and levy property taxes for 2019, to be collected in 2020, the revenue from which, when combined with estimated revenue from all other sources, shall be sufficient to meet the estimated expenditures for 2020.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COLORADO RIVER FIRE PROTECTION DISTRICT:

Section 1. Adoption of 2020 Budget. The attached 2020 budget, as originally submitted, and amended by the Fire District Board, is approved and adopted as the budget of the Colorado River Fire Protection District for fiscal year 2020, encompassing the final Certification of Assessed Valuations issued by the Garfield County Assessor's Office on November 19, 2019.

3153341.2



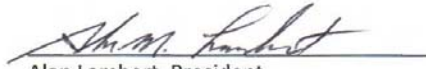
Section 2. Appropriation of Money to the Various Funds. The sums of money set forth in the 2020 Budget are hereby appropriated to and from each fund for the purposes stated in the 2020 Budget

Section 3. Certification and Levy of Property Taxes.


a. There is hereby levied a tax of 6.102 mills for general operating expenses upon each dollar of the total valuation for assessment of all taxable property within the Fire District for the year 2019, to be collected in year 2020.

b. The Fire District's Budget Officer is authorized and directed to certify immediately to the Garfield County Board of County Commissioners, State of Colorado, the mill levies for the Fire District, as herein above determined and set.

ADOPTED this 10th day of December, 2019.


Alan Lambert, President
District Board of Directors

ATTEST:


Matt Weisbrod, Vice President
District Board of Directors


Paige Haderlie, Treasurer
District Board of Directors

CERTIFIED COPY

I, Addy Marantino, the Secretary of the Board of Directors of the Colorado River Fire Protection District do hereby certify that the attached 2020 Budget is a true and accurate copy of the finalized 2020 Budget adopted by the Board of Directors during a duly noticed public meeting on December 10, 2019 at which a quorum of the Board was present.


Addy Marantino, Board Secretary


Date

3153341.2

COLORADO RIVER FIRE PROTECTION DISTRICT



SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES			
GENERAL FUND	2018 Actual	2019 Estimated	2020 Budget
BEGINNING FUND BALANCE	8,544,679	6,844,153	6,081,314
REVENUES			
Tax Revenues	4,367,205	5,010,256	4,824,420
Charges for Services	1,891,958	1,936,140	1,153,000
Interest Revenues	161,432	156,372	123,500
Grant Revenues	96,388	74,904	40,079
Other Revenues	218,220	171,758	60,000
Transfers from Other Funds	671,394	-	-
TOTAL REVENUES	7,406,597	7,349,430	6,200,999
EXPENDITURES			
Bank Service Charges	6,093	5,400	5,000
Board Stipends	11,100	5,400	6,000
Dues & Subscriptions	11,913	7,450	6,500
Elections	27,883	-	35,000
EMS Billing Mandatory Write-Offs	322,821	976,075	707,000
Honor Guard	-	2,384	2,500
Insurance	296,195	309,556	365,500
Operational Supply & Expense	396,726	299,201	285,000
Payroll Taxes	75,098	81,378	85,466
Professional Services	184,231	209,500	165,000
Protective Clothing	84,065	20,950	35,000
Repairs & Maintenance	257,914	215,000	184,500
Salaries & Benefits	5,799,870	5,317,387	5,660,735
Small Equipment Outlays	872,292	190,319	171,500
Strategic Planning	-	45,776	-
Training & Development	141,604	95,658	181,350
Treasurer & Tax Abatement Fees	390,703	113,535	111,182
Utilities	152,249	152,500	150,000
Volunteer Benefits	76,366	64,800	66,500
Transfers to Other Funds	-	-	-
TOTAL EXPENDITURES	9,107,123	8,112,269	8,223,733
Change in Fund Balance:	(1,700,526)	(762,839)	(2,022,734)
ENDING FUND BALANCE	6,844,153	6,081,314	4,058,580
- GENERAL FUND INCLUDES COMMUNITY CARES & RFPD PROJECT SUBFUNDS -			
CAPITAL PROJECTS FUND	2018 Actual	2019 Estimated	2020 Budget
BEGINNING FUND BALANCE	4,763,373	4,816,944	4,444,888
REVENUES			
Interest Revenues	53,571	87,830	73,500
Grant Revenues	-	83,018	122,745
Transfers from Other Funds	-	-	-
TOTAL REVENUES	53,571	170,848	196,245
EXPENDITURES			
Apparatus Replacement	-	448,418	-
Buildings & Grounds	-	-	-
Equipment Capital	-	94,486	283,050
Transfers to Other Funds	-	-	-
TOTAL EXPENDITURES	0	542,904	283,050
Change in Fund Balance:	53,571	(372,056)	(86,805)
ENDING FUND BALANCE	4,816,944	4,444,888	4,358,083

Adopted - 12.10.2019 - CRFPD Board of Directors



2020 BUDGET OVERVIEW

Alignment with 2019 – 2024 Strategic Plan

When the Colorado River Fire Protection District's Board of Directors approved the 2019 CRFR Strategic Plan in March 2019, it set the long-term direction for the District. This budget is created with not only a focus on the current strategic plan, but also an awareness of future recommendations to the strategic plan. The current strategic plan is comprised of six overarching goals:

- **Goal 1** | Effectively communicate the department's Mission and Vision to employees, partners and community.
- **Goal 2** | Recognize and adjust to changing budgetary, fiscal, and regulatory conditions.
- **Goal 3** | Seek to improve operational efficiency and effectiveness by shaping, enhancing, and adapting to changing circumstances.
- **Goal 4** | Cultivate and strengthen relationships with partners, governing bodies, cooperators and the public.
- **Goal 5** | Foster a culture that emphasizes and enhances employee health and safety.
- **Goal 6** | Promote a highly motivated and well-trained workforce.

Funding Recommendations

Given the District's strategic priorities and overall decreased revenues, CRFR has developed the 2020 Budget so that it is a balanced budget with an allocation of available resources split between maintaining ongoing service levels, staffing retention, and maintaining necessary training levels. From 2016 to this current 2020 budget year, CRFR has strategically utilized reserve funds to reach a balanced budget.

Reserves and Fund Balance

To maintain proper cash on hand and ensure appropriate reserves for the future, the District categorizes ending fund balance as follows:

- **Emergency Reserve:** Represents the 3% TABOR reserve required by the State of Colorado. This reserve is tied to the *General Fund*.
- **Operating Reserve:** Most property tax revenues are not received until April each year. As such, the District maintains an operating reserve within the *General Fund* equal to 10% of operating expenditures, thereby ensuring cash on hand until property taxes are received.
- **Capital Projects Reserve:** The District reserves 20% of its *Capital Projects Fund* balance each year for future capital purchases.



General Fund Budgets and Goals

The 2020 General Fund Budget includes four primary functional components: (a) Salaries and Benefits; (b) Training; (c) Operations and Maintenance; and (d) Small Equipment Outlays. Expenditures of this Budget are directly tied to CRFR's identified Strategic Goals. Table 1 reflects the allocation of expenditures within each budget component.

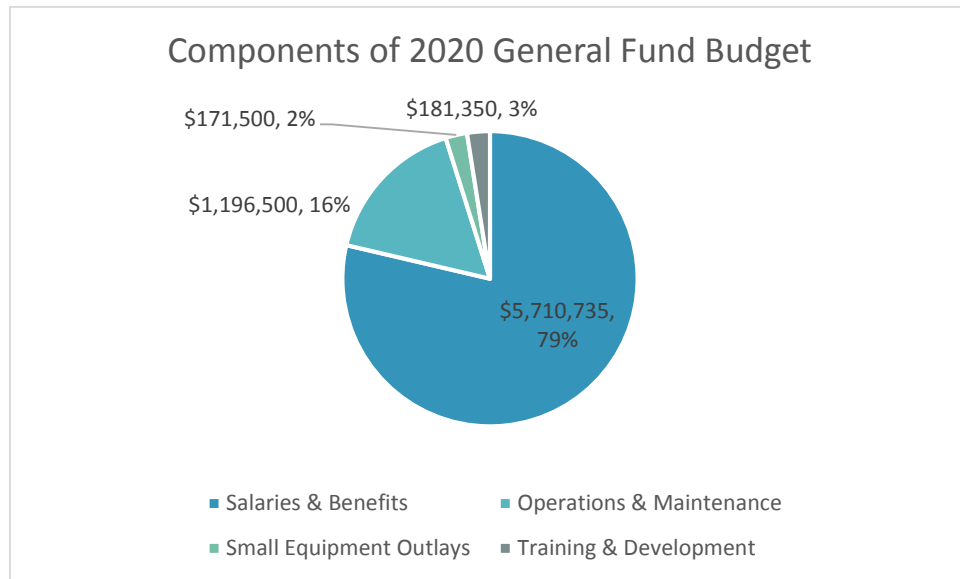


Table 1 – Source: 2020 Adopted Budget

Operating Revenues

Colorado River Fire Protection District's assessed property valuation dropped from \$1.1 billion dollars in 2015 to \$6.8 million dollars in 2016. At a mill rate of 6.102, this caused a \$2.6-million-dollar reduction in tax revenues from 2016 to 2017, a sharp 39.8% decline. Assessed property valuation dropped again in 2017 and saw only a marginal increase for 2018. In 2019 and 2020, valuations indicate that they may stabilize around the \$7.4~ million range.

The unforeseen decrease in revenues in 2017 led to the development of two new funding mechanisms in 2018: a new wildland division, and an expanded inter-facility transport (IFT) program. The two new programs together brought in an additional \$2.1 million dollars in supplemental revenues for 2018. In 2019, the district reorganized the IFT program to focus on serving our local community and as a result, saw a decrease in IFT revenues which will carry forward into 2020. In 2019, the district also saw a significant decline in wildland deployments due to an unpredictably wet wildland season.



Operating Revenues - Continued

Projected revenues in 2020 are estimated at \$6.2 million dollars, a \$1.1-million-dollar decline over 2019. In 2020, Property and Specific Ownership tax revenues will represent 77.8% of overall revenues. While assessed property valuations are improving since 2017, pending reductions in the residential assessment rate due to the Gallagher Amendment continue to threaten the District. Additional threats to future revenues include further reductions in oil and gas production, as well as fluctuations in the economy. Table 2 illustrates historic operating revenues.

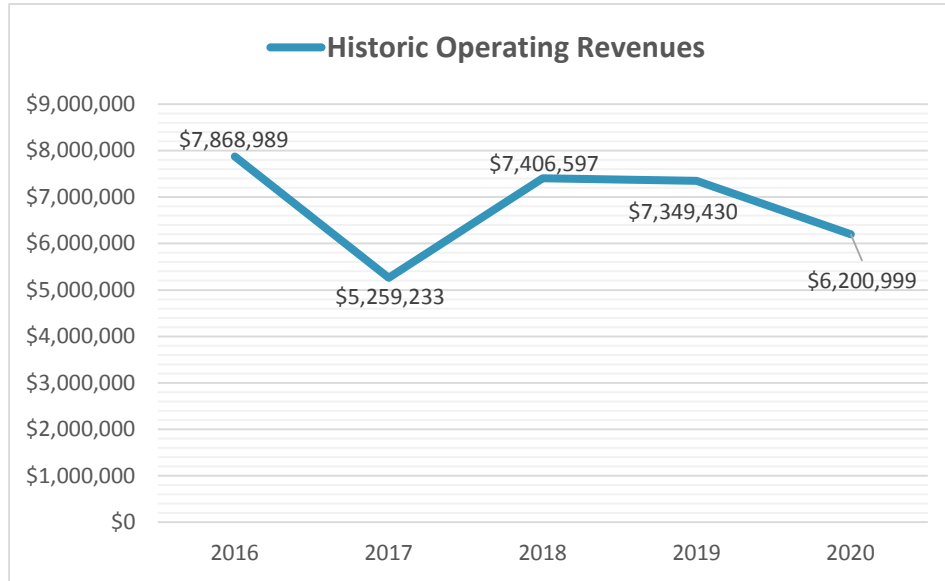


Table 2 – Source: 2016-2018 Audited Financial Statements, 2019 Projected, 2020 Adopted Budget

General Fund Budget: Salaries and Benefits

Ongoing operations are sustained by continuing to support current staffing level requirements, while addressing the District’s 2019 wage survey results and meeting the minimum base salary commitments. The cost of these budget allocations that support existing service levels is illustrated in Table 2.

Salaries and Benefits Expense	
Employee Compensation	\$ 4,399,500
Medical & Dental Insurance	902,235
Pension & Retiree Benefits	409,000
Total	\$ 5,710,735

Table 2 – Salaries and Benefits Expense to support existing service levels.



General Fund Budget: Training and Development

Despite the sharp decline in revenues, the District’s training requirements are a top priority in order to continually provide safe and efficient call response for our community. With incident call volumes continuously increasing, quality training and development of our first responders is essential. The cost of these various training requirements is illustrated in Table 3.

Training, Certification and Professional Development Expense	
EMS/Structural/Wildland/Specialty	\$181,350
Total	\$ 181,350

Table3– Training and Development Expense to support existing service levels.

General Fund Budget: Operations and Maintenance

The costs associated with the District’s daily operations includes continual maintenance of various apparatus (fire engines, ambulances, water tenders, and utility vehicles), along with ongoing equipment and facility maintenance and repairs. Protective clothing is essential for the safety of our Firefighters/EMT’s/Paramedics and is necessary in preventing injury, contamination, and mitigating long-term risks such as cancer. Professional services include the costs of legal, EMS billing services, financial auditing, and the required physician advisor oversight for EMS care. The cost of these various expenditures is illustrated in Table 4.

Operations and Maintenance Expense	
Insurance	\$ 365,500
Repairs & Maintenance	184,500
Supply & Expense	285,000
Protective Clothing	35,000
Professional Services	165,000
Utilities	150,000
Dues & Subscriptions	6,500
Bank Service Fees	5,000
Total	\$ 1,196,500

Table 4 – Operations and Maintenance Expense support existing service levels.

General Fund Budget: Small Equipment Outlays

Small Equipment Outlays are budgeted annual costs for replacement equipment and typically cost under \$9,999 per item. Some categories may have several purchases throughout the year. The various capital outlay equipment categories are shown below in Table 5.

Small Equipment Outlays	
Communications Equipment	\$ 15,000
IT Hardware & Software	6,500
Loose Equipment	150,000
Total	\$ 171,500



Capital Projects Fund Budget - Overall

Purchases under the separate *Capital Projects Fund Budget* are for large capital acquisitions for items such as new fire engines, utility vehicles, ambulances, medical equipment, Information Technology (IT) equipment, and software systems. For 2020, equipment capital expenditures out of this fund total \$283,050, of which \$122,745 are reimbursements from grants. Equipment Capital line items are listed in Table 6.

Equipment Capital	
Fire Equipment	\$ 70,000
IT Equipment	25,000
EMS Equipment	99,450
Wildland Program	10,000
Communications Equipment	68,600
Furniture & Fixtures	10,000
Total	\$ 283,050

Table 6 – Capital Projects Fund – Large Equipment Capital Purchases

Budget Conclusion

Colorado River Fire Protection District is committed to providing the highest service levels in a fiscally responsible manner.

We look forward to serving our communities in 2020.