



## **AGATE FIRE PROTECTION DISTRICT 2016 BUDGET**

**As adopted by the Board of Directors of the  
Agate Fire Protection District  
December 14, 2015**

### **Agate Fire Protection District 2016 Budget**

The following pages include the Agate Fire Protection District (AFPD) 2016 budget. The District has specific budgeting strategies to ensure financial responsibility and soundness. Outlined below are the District's budgeting strategies, checks and balances for fiscal responsibility, and some technical aspects of the 2016 budget.

### **Functional Description/Work Objectives**

The Agate Fire Protection District has five basic functional responsibilities:

- **Fire Suppression:** includes residential, agricultural, oil and natural gas pump and storage site, automobile, farm equipment, and wildland fires. The Agate Fire Protection District provides fast attack firefighting in order to minimize risk to life, property and the environment.
- **Emergency Medical Services:** are provided twenty-four hours a day by a skilled life support team of paramedics and EMTs. AFPD operates two fully equipped ambulances.



- Fire Prevention: is responsible for hazard abatement enforcement, approval of building plans, public education, environmental protection and fire safety inspections.
- Training: of Fire Department personnel is conducted in accordance with county, state and federal standards. Firefighters, EMTs, and paramedics receive updates on advances in techniques and technology, and participate in continuing education.
- Community Emergency Preparedness: includes training programs offered to organizations and individuals within the District. This includes a yearly educational event held at the Agate School.

## **BUDGET MESSAGE**

The process for developing the budget was as follows: First, the Board of Directors approved the three members of the Budget Committee. These members included Fire Chief Larry Rector, Secretary/Treasurer Lyndon Burnett, and Director Casey Craven.

Using preliminary information from the County as a basis of tax levy revenues, 15% was set aside for the Reserve Fund. The committee then tracked the actual expenditures from the 2015 budget to determine if addition or reduction of line items were required. Then the Committee identified any line items that were over or under budget. Reasons for why a line item would be over budget were analyzed to assure the 2016 budget would accurately reflect any corrections needed. Based on input from Chief Rector on anticipated needs for the Fire and Ambulance departments, expenditures were prioritized. Those expenditures that met the criteria for needed expense were added to the budget. Finally the budget was formulated and confirmed to be in balance.



The 2016 Budget reflects a grant obtained of \$147,430.00 for the purchase of a new ambulance. Other grant applications may be applied for the purchases of special firefighting equipment and for EMS purchases.

## **Budgeting Strategy**

The 2016 AFPD budget has been prepared in compliance with Colorado Revised Statutes and Special District budget laws. Consideration has been given to all functions and operations of the AFPD. The intent of this budget is to provide quality service to the District while operating within the restraints of limited revenues.

The attached budget is based on the priorities expressed by the Fire/Rescue and Ambulance departments. The proposed budget for the 2016 Fiscal year for the AFPD increases the level of services provided in the 2015 fiscal year. This is by the addition to the firehouse of three bays and a training/commons area. The additional bays will bring all rolling stock into one facility, thus reducing response times.

The budgetary basis of accounting used by the Agate Fire Protection District is the cash basis. The 2016 budget is prepared on the same basis. The District's budgeting directly correlates with its short and long term planning. The short term planning needs are identified through the day-to-day management of the organization. The management team meets on a monthly basis to discuss the needs of the District and identify internal and external service issues that need attention. The issues that need financial attention are then marked for review for the next year's budget. If necessary, a plan is put in place to accommodate those needs in the current year by substituting or reallocating expenses in the current year.



In an effort to ensure the District's long term financial health and to continue to expand the organization, the District has a Reserve Fund. This fund is used to accrue the money necessary to meet the District's current and future strategic funding needs. These needs may include, but are not limited to, enabling the District to finance the replacement of vehicles and firefighting apparatus, and the funding of various capital projects that fall outside the scope of the normal operating budget. The projected Reserve Fund balance as of December 31, 2016 is \$50,709.

The District is committed to funding this account at appropriate levels prior to establishing the overall operating budget. In the 2016 budget, 13.87% of the total General Fund revenue is allocated to this fund.

## **Fiscal Responsibility**

The District is keenly aware that, in the absence of grants, a majority of the total funding for Fire/Rescue and Emergency Medical services is derived from property taxes levied on the landowners within the District. The District has several processes in place to ensure these tax dollars are spent wisely. Following are some examples of checks and balances the District has in place to ensure fiscal responsibility:

- Monthly Variance Reports: Each month, the Fire Chief will be asked to review their actual spending vs. their budget for the month and the fiscal year-to-date. The Chief will be required to report to the Board of Directors on any line item that is over budget by more than \$100.00. With this process, the Fire Chief reviews all transactions within his budget to ensure expenses are posted correctly.
- Review of Recurring Costs: Periodically, recurring costs will be re-evaluated to ensure that the District is getting the best possible rate.



- Spending Authority: For all expenses over \$1,000.00, formal approval is required by the Board of Directors. This allows the District to have greater control over larger expenditures, and to ensure compliance with the Budget.

The AFPD must remain fiscally conservative to assure a healthy fund balance and to provide for the future. The assessed valuation of the county for 2016 has increased slightly over 2015. Fiscal year 2015 did have substantial increases of the budget for revenue through grants and highway claims. However, there is no way to predict that this trend will continue into 2016.

## **Technical Aspects of the Budget**

The Agate Fire Protection District uses a combination of governmental fund accounting and business accounting practices to keep the books in line with auditing requirements and allow for financial reporting that is easy to read.

## **Revenue**

Operating revenue is generated from property tax levied upon all property within the District. For the 2016 budget year property tax revenue is estimated at \$81,905.00 with an additional \$9,000.00 in specific ownership tax and \$4,500.00 in special use collection from Metro Grow. The District will continue the operation of a self-sustained Ambulance service that is projected to provide \$32,000.00 in revenue. Miscellaneous revenue is estimated to be \$770.00. Revenue from grants, fees, and donations is estimated at \$194,929.00. A carry over from 2015 estimated at \$25,000.00 and the sale of a used rescue truck in the projected amount of \$17,500.00 will provide total estimated resources for 2016 of \$365,605.00.



## **General Fund**

For the 2016 budget year the Agate Fire Protection District will have a General Fund for main operating expenses for the District, including: 911 dispatch costs; fire equipment and personal protective equipment; communication tools; fire equipment maintenance; ambulance maintenance; billing and collections; ambulance supplies; firefighter and EMS training; loan repayments; legal services and other professional fees; membership fees; station maintenance expenses; all tangible items purchased for the operation of the District; other operating expenses required for the operation of the District such as postage, internet fees, telephone and other utilities, insurance, and travel expenses; and any capital expenses that are small enough in cost to be covered by the annual operating budget.

## **Determining the General Fund Operating Budget**

The budgeting process started with projecting revenues provided by the County projected to be \$81,905.00. We then determined that 15% of the Property Tax revenue would be held in a Reserve Fund. The remaining revenue was deemed to be available for appropriation to the General Fund Operating Budget. It was deemed that any amounts left after the General Fund was budgeted were to be allocated to the Reserve Fund.

The next step in the process was to request that the Fire Chief prepare a preliminary budget for review by the Budget Committee. This preliminary budget was totaled and compared to projected revenues. This gave the Budget Committee the required information to allow for adjusting expenditures against the projected revenue. This collaborative effort resulted in finalizing and balancing the overall General Fund budget.



Finally, the Proposed Budget was presented to the Board of Directors on October 8, 2015. Since that time the Board has reviewed and adjusted the line items until this final Budget was developed and approved.

## **2016 Budget Overview**

The approved Budget for 2016 is balanced. We anticipate total available resources to be \$364,834.00. This includes an expected carryover of \$25,000.00 from the 2015 budget. The General Fund budget expenditures, including the funding of the Reserve Fund, equal to \$314,896.00. Of this amount, \$163,811.00 is for the purchase of an ambulance and \$23,500 is for the reserve fund. Included within the budget are the additional costs for insurance, maintenance and other expenses associated with the construction and operation of the addition. The match for the ambulance grant is \$16,381.00.

Property tax revenue estimate is based on the County's provided Property Tax assessed valuation of \$10,238,097.00 provided to the Directors on December 1, 2015. Thus the final budget presented at the December 14, 2015 Board of Directors meeting reflects the latest projected assessment. The mill levy will remain at 8 mills. With an assessed property value at \$10,238,097.00, the budgeted property tax revenue will be at \$81,905.00.

Sincerely,

Lyndon Burnett

Secretary/Treasurer

Agate Fire Protection District

| 2016 BUDGET                               |                   |               |
|---|-------------------|---------------|
|   | Budget            | % of Budget   |
| Ordinary Income/Expense                   |                   |               |
| Beginning Fund Balances                   |                   |               |
| Reserve Fund                              | 25,000.00         | 6.84%         |
| General Fund                              |                   | 0.0%          |
| <b>Total Fund Balances(Cash on Hand)</b>  | <b>25,000.00</b>  | <b>6.84%</b>  |
| Income                                    |                   |               |
| Property Tax - Elbert County              |                   |               |
| Senior/Vet Exempt                         | 250.00            | 0.00          |
| Property Tax - Elbert County              | 81,905.00         | 22.4%         |
| <b>Total Property Tax - Elbert County</b> | <b>82,155.00</b>  | <b>22.47%</b> |
| Specific Ownership Tax                    | 9,000.00          | 2.46%         |
| Metro Grow                                | 4,500.00          | 1.23%         |
| Donations                                 | 2,500.00          | 0.68%         |
| Capital Credits                           | 20.00             | 0.01%         |
| Interest Appropriation                    | 500.00            | 0.0%          |
| <b>Total General Revenue</b>              | <b>16,520.00</b>  | <b>4.52%</b>  |
| Fire/Rescue Claims                        | 4,000.00          | 1.09%         |
| Fire/Rescue Grants (Matching)             | 40,000.00         | 10.94%        |
| Fire/Rescue Grants (Non-Matching)         | 500.00            | 0.14%         |
| Equipment Sales                           | 17,500.00         | 4.79%         |
| <b>Total Fire/Rescue Revenue</b>          | <b>62,000.00</b>  | <b>16.96%</b> |
| EMS Revenue                               | 32,000.00         | 8.75%         |
| EMS Grants (Matching)                     | 147,430.00        | 40.33%        |
| EMS Grants (Non-Matching)                 | 500.00            | 0.14%         |
| Equipment Sales                           | 0.00              | 0.0%          |
| <b>Total EMS Revenue</b>                  | <b>179,930.00</b> | <b>49.21%</b> |
|   |                   | 0.0%          |
|   |                   | 0.0%          |
|   |                   | <b>0.0%</b>   |
| <b>Total Income</b>                       | <b>340,605.00</b> | <b>93.16%</b> |
| <b>Gross Operating Resources</b>          | <b>365,605.00</b> | <b>100.0%</b> |

|  | 2016 BUDGET      |               |
|--|------------------|---------------|
|  | Budget           | % of Budget   |
| <b>Expenses</b>                            |                  |               |
| <b>Fire/Rescue</b>                         |                  |               |
| License Plates                             | 25.00            | 0.01%         |
| Legal Fees                                 | 3,000.00         | 0.82%         |
| Bulk Fuel (100% Gas 60% Diesel)            | 3,200.00         | 0.88%         |
| Fuel (Non-Bulk)                            | 200.00           | 0.06%         |
| Fire Prevention Education                  | 200.00           | 0.06%         |
| <b>Fire Equipment</b>                      |                  |               |
| Fire Equipment                             | 10,000.00        | 2.74%         |
| Grant (Tire Waste)                         |                  | 0.0%          |
| Wildland Grant                             | 500.00           | 0.14%         |
| Matching Grants                            | 20,000.00        | 5.47%         |
| <b>Total Fire Equipment</b>                | <b>30,500.00</b> | <b>8.34%</b>  |
| <b>Personal Protection Equipment</b>       |                  |               |
| PPE  | 9,000.00         | 2.46%         |
| Grant                                      | 0.00             | 0.0%          |
| Matching Grants                            | 0.00             | 0.0%          |
| <b>Total Personal Protection Equipment</b> | <b>9,000.00</b>  | <b>2.46%</b>  |
| Elbert County Communications Assoc.        | 750.00           | 0.21%         |
| Certification/Training                     | 3,000.00         | 0.82%         |
| Chief Association Fees                     | 200.00           | 0.06%         |
| <b>Apparatus Maint/Repair</b>              |                  |               |
| Purchased Services                         | 5,000.00         | 1.37%         |
| Apparatus Maint/Repair                     | 9,500.00         | 2.6%          |
| Pump Testing                               | 800.00           | 0.22%         |
| <b>Total Apparatus Maint/Repair</b>        | <b>15,300.00</b> | <b>4.19%</b>  |
| WIBS Billing (Fire/Rescue)                 | 1,500.00         | 0.41%         |
| Truck Lease                                | 200.00           | 0.06%         |
| Fire/Rescue Radio Use Fees (28 Radios)     | 0.00             | 0.0%          |
| Meals/Water                                | 1,000.00         | 0.27%         |
| <b>Total Fire/Rescue</b>                   | <b>68,075.00</b> | <b>18.62%</b> |

|   | 2016 BUDGET       |               |
|---|-------------------|---------------|
|   | Budget            | % of Budget   |
| <b>Ambulance/EMS</b>                    |                   |               |
| <b>Ambulance Apparatus Maint/Repair</b> |                   |               |
| Maint/Repair                            | 1,750.00          | 0.48%         |
| Purchased Services                      | 1,750.00          | 0.48%         |
| Rent, Parking, Utilities                | 0.00              | 0.0%          |
| Ambulance Certifications                | 0.00              | 0.0%          |
| Ambulance Inspections                   | 400.00            | 0.11%         |
| <b>Total Ambulance Maint/Repair</b>     | <b>3,900.00</b>   | <b>1.07%</b>  |
| <b>Equipment (EMS)</b>                  |                   |               |
| Equipment                               | 2,000.00          | 0.55%         |
| Ambulance (Grant)                       | 147,430.00        | 40.33%        |
| Grant Match (Ambulance)                 | 16,381.00         | 4.48%         |
| <b>Total EMS Equipment</b>              | <b>165,811.00</b> | <b>45.35%</b> |
| <b>EMS Equipment Maint/Repairs</b>      |                   |               |
| Maint/Repair                            | 1,500.00          | 0.41%         |
| Purchased Services                      | 500.00            | 0.14%         |
| Life Pak Service Contract               | 2,530.00          | 0.69%         |
| <b>Total EMS Equip Maint/Repairs</b>    | <b>4,530.00</b>   | <b>1.24%</b>  |
| Medications                             | 4,500.00          | 1.23%         |
| EMS (WIBS) Billing                      | 4,700.00          | 1.29%         |
| EMS Disposable Supplies                 | 4,000.00          | 1.09%         |
| EMS Training                            | 4,000.00          | 1.09%         |
| Bulk Fuel - EMS (40% Diesel)            | 1,500.00          | 0.41%         |
| Fuel (EMS)                              | 500.00            | 0.14%         |
| Insurance (EMS)                         | 1,200.00          | 0.33%         |
| Legal Fees (EMS)                        | 1,000.00          | 0.27%         |
| Radio Use Fee (6 Radios)                | 0.00              | 0.0%          |
| Meals/Water                             | 0.00              | 0.0%          |
| Tolls/Parking                           | 0.00              | 0.0%          |
| MISC                                    | 300.00            | 0.08%         |
| <b>Total Ambulance/EMS</b>              | <b>195,941.00</b> | <b>53.59%</b> |

|   | 2016 BUDGET       |               |
|---|-------------------|---------------|
|   | Budget            | % of Budget   |
| <b>General Expenses</b>                   |                   |               |
| Insurance- Pinnacol                       | 1,800.00          | 0.49%         |
| Insurance - Equipment/Liability/Property  | 9,500.00          | 2.6%          |
| Building Loan                             | 0.00              | 0.0%          |
| <b>Station Maint/Repair</b>               |                   |               |
| Station Maint/Repair                      | 3,000.00          | 0.82%         |
| Purchased Services                        | 1,000.00          | 0.27%         |
| <b>Total Station Maint/Repairs</b>        | <b>4,000.00</b>   | <b>1.09%</b>  |
| Subscriptions                             | 100.00            | 0.03%         |
| Depreciation Building                     | 0.00              | 0.0%          |
| Depreciation Capital Assets               | 0.00              | 0.0%          |
| <b>Office Expense</b>                     |                   |               |
| Election                                  | 2,000.00          |               |
| Postage                                   | 50.00             | 0.01%         |
| Office Expense - Other                    | 2,000.00          | 0.55%         |
| Web Site                                  | 0.00              | 0.0%          |
| Advertisement Legal Notices               | 350.00            | 0.1%          |
| Audit                                     | 6,000.00          | 1.64%         |
| <b>Total Office Expense</b>               | <b>10,400.00</b>  | <b>2.85%</b>  |
| MISC Expenses                             | 2,000.00          | 0.55%         |
| Technology (Radios/Tower)                 | 3,500.00          | 0.96%         |
| Treasurers Fee (3.1%)                     | 2,800.00          | 0.77%         |
| <b>Utilities</b>                          |                   |               |
| Propane                                   | 4,000.00          | 1.09%         |
| Electricity                               | 2,500.00          | 0.68%         |
| Phone/DSL                                 | 500.00            | 0.14%         |
| Water                                     | 240.00            | 0.07%         |
| Trash Removal                             | 540.00            | 0.15%         |
| <b>Total Utilities</b>                    | <b>7,780.00</b>   | <b>2.13%</b>  |
| Interest Expense                          | 9,000.00          | 2.46%         |
| <b>Total Interest Expense</b>             | <b>9,000.00</b>   | <b>2.46%</b>  |
| <b>Total Expenses</b>                     | <b>314,896.00</b> | <b>86.13%</b> |
| <b>Net Ordinary Income</b>                | <b>50,709.00</b>  | <b>13.87%</b> |
| Reserve Fund (End of Year)                | 50,709.00         | 13.87%        |
| Radio Service Fee Fund (End of Year)      | 0.00              | 0.0%          |
| General Fund (End of Year)                | 0.00              | 0.0%          |
| <b>Total Fund Balances (Cash on Hand)</b> | <b>50,709.00</b>  | <b>100.0%</b> |
| Net Income                                | 0.00              | 0.0%          |