REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT

The regular meeting of the Board of Directors of the Loveland Rural Fire Protection District was held at Station 1 on Wednesday, November 4th, 2015 at 4:30 P.M.

The following members were present:

Mike McKenna, Barry Gustafson, Leroy Anderson and Jeff Swanty.

Also present were:

Greg White, Secretary, Loveland Rural Fire Protection District
Mark Miller, Loveland Fire and Rescue Department
Ned Sparks, Loveland Fire and Rescue Department
Greg Ward, Loveland Fire and Rescue Department
Renee Wheeler, Loveland Fire and Rescue Department
Bill Lundquist, Big Thompson Canyon Volunteer Fire Department
Bob Boggio, Rural Citizen

Due to the absence of President Legits, Vice-President Mckenna chaired the meeting and called the meeting to order.

The minutes of the October 7th, 2015 regular meeting were presented. Upon motion by Gustafson, seconded by Anderson, and unanimously carried, the minutes were approved subject to the clarification of the statement concerning the reimbursement to LFRA for special counsel.

White presented the October 2015 bills. Upon motion by Swanty, seconded by Gustafson, the following bills were approved:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Loveland (1)</td>
<td>$165,334.00</td>
</tr>
<tr>
<td>Poudre Valley REA</td>
<td></td>
</tr>
<tr>
<td>Canyon Facilities (2)</td>
<td>30.49</td>
</tr>
<tr>
<td>Canyon Facilities (2)</td>
<td>35.82</td>
</tr>
<tr>
<td>CenturyLink</td>
<td></td>
</tr>
<tr>
<td>Canyon Facilities (2)</td>
<td>85.09</td>
</tr>
<tr>
<td>CenturyLink</td>
<td></td>
</tr>
<tr>
<td>Canyon Facilities (2)</td>
<td>125.00</td>
</tr>
<tr>
<td>CenturyLink</td>
<td></td>
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<tr>
<td>Canyon Facilities (2)</td>
<td>400.00</td>
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<tr>
<td>CenturyLink</td>
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</tr>
<tr>
<td>Canyon Facilities (2)</td>
<td>184.29</td>
</tr>
<tr>
<td>Gregory A. White</td>
<td></td>
</tr>
<tr>
<td>Legal Fees (12a)</td>
<td>5,900.00</td>
</tr>
<tr>
<td>Gregory A. White</td>
<td></td>
</tr>
<tr>
<td>Administrative Fee (12b)</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Board Secretary Fee (8a)</td>
<td>320.00</td>
</tr>
<tr>
<td>Haynie &amp; Associates</td>
<td></td>
</tr>
<tr>
<td>Bookkeeper Fee (8c)</td>
<td>350.00</td>
</tr>
<tr>
<td>Dave Legits</td>
<td></td>
</tr>
<tr>
<td>Board Meeting (8b)</td>
<td>100.00</td>
</tr>
<tr>
<td>Mike McKenna</td>
<td></td>
</tr>
<tr>
<td>Board Meeting (8b)</td>
<td>100.00</td>
</tr>
<tr>
<td>Barry Gustafson</td>
<td></td>
</tr>
<tr>
<td>Board Meeting (8b)</td>
<td>100.00</td>
</tr>
</tbody>
</table>
White presented the Financial Report. He noted that the property tax revenues had slowed somewhat since the last review. It’s White’s opinion that general property tax revenues will be in line with the 2015 budgeted amounts. White noted that the specific ownership taxes remained above the budgeted amount. White stated that all other expenditures were within budgeted amounts.

Vice-President McKenna opened the 2016 Budget hearing. White stated that he had received no correspondence or inquiries concerning the 2016 Budget.

White presented the draft of the 2016 Budget. White reviewed with the Board the 2014 actual revenues and expenditures, the projected 2015 end-of-the-year revenues and expenditures. White noted that the Fire Authority payment included all supplemental appropriations, and anticipated supplemental appropriations for 2015 by the Fire Authority. White reviewed the projected 2016 revenues and expenditures. He noted that the general property tax revenues were based upon the 21% increase in assessed valuation for the Rural District. White reviewed the financial implications of the move from CIRSA to the Special District Association with regard to insurance for the District. He noted that 2016 budgeted figures for insurance were estimates as final amounts had not yet been received from the SDA.

Vice-President McKenna asked for any public comments. There were none. Upon motion by Swanty, seconded by Anderson, and unanimously carried, the following resolutions were adopted:

**RESOLUTION**

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District appointed Gregory A. White, Secretary-Assistant Treasurer, to prepare and submit a proposed Budget to said governing body at the proper time; and

WHEREAS, Gregory A. White, Secretary-Assistant Treasurer submitted a proposed Budget to this governing body for its consideration; and

WHEREAS, upon due and proper published notice, said Budget was open for inspection by the public at a designated place, a public hearing was held on November 4, 2015, and interested taxpayers were given the opportunity to file or register any objections to said proposed Budget; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT;

Section 1. That estimated expenditures for each fund are as follows:

A. General Fund: $2,693,658

B. Vehicle Self-Insurance Fund: $342,658
Section 2. That estimated revenues are as follows:

A. General Fund:
   - From general property tax levy: $2,538,640
   - From sources other than general property tax: $703,003
   - TOTAL REVENUES: $3,241,643

B. Vehicle Self-Insurance Fund:
   - From general property tax levy: $0
   - From sources other than general property tax: $342,658
   - TOTAL REVENUES: $342,658

Section 3. That the Budget submitted and hereinabove summarized by fund, approved and adopted as the Budget of the Loveland Rural Fire Protection District for 2016.

RESOLUTION

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District adopted the annual Budget in accordance with the Local Government Budget Law on November 4, 2015; and

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures set forth in said Budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to provide for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT.

Section 1. The following sums are hereby appropriated from the revenues of each fund, to each fund, for the purpose stated therein:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Appropriated Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$2,693,658</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>$29,000</td>
</tr>
<tr>
<td>Contingent</td>
<td>$100,000</td>
</tr>
<tr>
<td>Current Operating Expenses</td>
<td>$2,486,202</td>
</tr>
<tr>
<td>TABOR Reserve</td>
<td>$78,456</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,693,658</strong></td>
</tr>
<tr>
<td>Vehicle Self-Insurance Fund</td>
<td>$342,658</td>
</tr>
<tr>
<td>Expenses</td>
<td>$332,600</td>
</tr>
<tr>
<td>TABOR Reserve</td>
<td>$10,058</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$342,658</strong></td>
</tr>
</tbody>
</table>
RESOLUTION

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District has adopted the annual budget in accordance with the local government budget law on November 4, 2015; and

WHEREAS, the amount of money from real property tax assessments necessary to balance the budget for the general operation expense is $2,538,640 for the General Fund; and

WHEREAS, the 2015 valuation for the assessment for the Loveland Rural Fire Protection District is $291,529,573.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT.

Section 1. For the purpose of meeting all general operating expenses for the Loveland Rural Fire Protection District during the 2016 Budget year, there is hereby levied a tax of 8.708 mills upon each dollar of the total valuation for assessment for all taxable property within the Loveland Rural Fire Protection District for the year 2016.

Section 2. The Secretary-Assistant Treasurer is hereby authorized and directed to certify to the County Commissioners of Larimer County, Colorado, the mill levy for the Loveland Rural Fire Protection District as herein above determined and set.

White requested the Board approve the increase in the Canyon Volunteer Pension monthly retirement benefit from $350 to $400 per month effective January 1, 2016. White stated that the Board of Trustees of the Pension Fund had recommended the increase at its October 7, 2015 meeting. Upon motion by Gustafson, seconded by Swanty, and unanimously carried, the Board approved the increase of the Canyon Volunteer Pension monthly retirement benefit from $350 to $400 per month effective January 1, 2016.

White briefed the Board on the current status of the 2016 District casualty/liability and workers’ compensation insurance. The SDA has not provided the Rural District with the final figures for 2016 premiums for casualty/liability insurance and workers’ compensation. White stated that LFRA had provided information to SDA for insurance coverage which included coverage for volunteers in the Big Thompson Canyon, apparatus used in the Big Thompson Canyon Department, and Big Thompson Canyon fire stations. White stated that the Fire Authority IGA provided the Rural District is responsible for this insurance. White has amended the Rural District's applications and filed them with SDA to obtain the appropriate quote for workers' compensation, property/liability coverage for apparatus used by the Big Thompson Canyon and coverage for the Big Thompson Canyon fire stations. White anticipates receipt of that information in the near future. White noted that based upon quotes provided to LFRA, the quoted coverage will be considerably less than CIRSA. Based upon the information and the Board's direction to White to make a determination as to which insurance coverage to select, White has terminated the District's insurance coverage with CIRSA effective January 1, 2016. The Board will review the actual premium quotes at its December meeting.

Chief Sparks gave the Community Safety Division Report. The Department is currently examining the Fire Department’s role in public education including the role of Thompson Valley EMS and the Loveland Police Department with regard to public safety matters.

The Department continues to have a substantial amount of planning and inspection activity. However, the Department is catching up with regard to fire inspections. With
the amount of current plan reviews and anticipated plan reviews, the Department is
considering adding hours for its part-time staff or other means to continue to meet the
demand.

Chief Miller presented the Chief’s Report. He briefed the Board on the necessity to
immediately replace and relocate the radio tower at Station No. 1. The current radio
tower is at least thirty years old and has been determined by an outside consulting
engineering firm to be in a state of imminent collapse. The engineering firm has
informed the Department that it is possible for the radio tower to collapse with winds
greater than sixty miles per hour. Chief Miller stated that all City Departments which
have 800 mghz capability use the tower. The solution is to erect a mono tower just
south of the building, replace the old equipment currently on the radio tower with new
equipment and remove the current radio tower. The cost of this project is estimated at
$200,000. The City has determined that City Departments who use the tower will
contribute proportionally the cost of this project based upon the number of 800 mghz
radios in each Department. The LFRA approximate cost is $55,000. Miller stated due
to the need to immediately address this issue, the project will be completed prior to the
end of the year. Since this matter was not budgeted in the 2015 nor 2016 budget, the
Department is looking at other resources to fund this project. Miller stated the City has
determined that this is a City project and not a LFRA/Rural District project and the cost
of relocation will be borne by the various City Departments.

Miller reported that the contract for the sale of the Rossum Drive property had been
terminated due to the fact that rezoning request by the purchaser had been denied by
the Planning Commission. The Department is reviewing its options with regard to this
parcel.

Miller briefed the Board on the remodeling that is scheduled to start for Station No. 1.
The front access will be closed in the near future through the end of the year to allow
the remodel to occur. The remodeling will result in the establishment of a permitting
center for City Planning and Building.

The remodel will necessitate the moving of the Rural District’s December meeting to a
different location yet to be determined.

Miller reported that the City had recently been the recipient of a FEMA grant to rebuild
the Railroad Avenue bridge across the Big Thompson River. The project is being
administered by the Federal Highway Administration. In the process of rebuilding the
Railroad Avenue bridge, the current access to the Training Center will be closed
permanently. Due to this fact, there is a need to develop a new primary access to the
Training Area. The Department is reviewing all options.

Wheeler gave the Public Safety Administrator report. Wheeler presented the Board with
a Memo for a Supplemental Budget and Appropriation to the 2015 LFRA Budget to
appropriate additional funding to reallocate health, dental and life insurance through the
City of Loveland which requires an additional appropriation of $33,070 for a new
expenditure for the health and circulatory trust, and LFRA legal fees including the
$25,000 reimbursement from the District that was previously approved by the Board.
The total contribution amount from the Rural District for the supplemental appropriation
is $31,070 which includes the $25,000 reimbursement for special counsel to LFRA.
Following discussion, upon motion by Gustafson, seconded by Swanty, and
unanimously carried, the Board approved Resolution R-057 of the LFRA for this
supplemental budget and appropriation to the 2015 Budget.

Wheeler presented the Third Quarter Budget Biz and reviewed the same with the
Board.

Wheeler stated at the December meeting the Rural Board will be requested to review
supplemental budget and appropriation request of LFRA to address the change in
insurance from CIRSA to SDA, outside legal services, and payroll system switch costs
for the 2016 LFRA Budget.
Chief Ward gave the Operations Division report. He reviewed the current and wildland fire incidents in October. He reported on personnel changes within the Department including the appointment of Josh Valerio as the ARF Engineer, a promotion of two engineers to lieutenants, and the hiring of two new full-time firefighters from the part-time firefighters.

Ward reported that the ladder truck has been returned to SVI to perform punch list items. The Department expects the return of the truck in the near future.

White reported to the Board on he and Chief Miller’s meeting with Chief Charles, Dick Lyons, and Blair Dickhoner of the Berthoud Fire Protection District concerning the request for exclusion of the Heron Pointe property from the Rural District to the Berthoud Fire District. This was a follow-up to the previous meeting between the same individuals. White stated that the group determined that the Agreement should contain provisions for any exclusions from the Rural District to the Berthoud Fire along the south boundary of Campion Road in Larimer County. This specifically includes the Heron Pointe property and any proposed development on the Promontory Point property located on the southeast corner of 287 and the Campion Road. While stated those individuals were pleased that the Rural District was willing to continue discussions with regard to this matter. Berthoud will present a proposal to the Rural District in the near future.

Canyon Chief Lundquist gave the Canyon Chief’s report. He noted that the Canyon Department had two days live fire training with LFR followed by a structure fire in the Canyon the next day. The Department was able to extinguish the structure fire in a short amount of time.

Director Swanty brought up the need for the Rural Board to make its two appointments to the LFRA Board prior to the LFRA Board meeting in December. Due to the absence of President Legits, who is one of the District’s representatives, it was the consensus of the Board to defer any action until the December meeting.

Director Swanty stated that as he had previously stated that the October meeting, that if he was elected to the School Board, which he was, that he would request that the Rural Board change its meeting date and time to accommodate the School Board meeting. The School Board meets at 6:00 p.m. on the first and third Wednesday of the month. Following discussion, it was determined that rather than moving the date of the meeting, that if the time of the meeting was moved to 4:00 p.m. on the first Wednesday of the month, that would be ideal for board members, Secretary White, and Department Staff. Upon motion by Swanty, seconded by Gustafson, and unanimously carried, the regular meeting of the Rural Board will now be on the first Wednesday of each month beginning at 4:00 p.m. at Station No. 1.

There being no further business, the meeting adjourned.

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Gregory A. White, Secretary/Assistant Treasurer

ATTEST:

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President