

RECORD OF PROCEEDINGS

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 No. 2 on Wednesday, November 2, 2016 at 3:00 p.m.

The following members were present: Dave Legits, Mike McKenna, Leroy Anderson and Jeff Swanty.

Also present were:

Greg White, Secretary, Loveland Rural Fire Protection District
Mark Miller, Loveland Fire Rescue Authority
Renee Wheeler, Loveland Fire Rescue Authority
Greg Ward, Loveland Fire Rescue Authority
Shawn Neal, Big Thompson Canyon Volunteer Fire Department
Bob Boggio, Rural Citizen

President Legits called the meeting to order.

The minutes of the October 5, 2016 regular meeting were presented. Upon motion by McKenna, seconded by Anderson, and unanimously carried, the minutes were approved.

White presented the November 2016 bills. Upon motion by Swanty, seconded by Anderson, and unanimously carried, the following bills were approved:

Loveland Fire Rescue Authority	\$ 181,253.00
City of Loveland	
Canyon Facilities (2)	88.16
Poudre Valley REA	
Canyon Facilities (2)	44.03
CenturyLink	
Canyon Facilities (2)	613.24
Gregory A. White	
Legal (12a)	4,650.00
Haynie & Company	
Bookkeeping (8c)	350.00
Gregory A. White	
Administrative (12b)	1,000.00
Board Secretary Fee (8a)	375.00
Dave Legits	
Board Meetings (8b)	100.00
Mike McKenna	
Board Meetings (8b)	100.00
Barry Gustafson	
Board Meetings (8b)	100.00
Leroy Anderson	
Board Meetings (8b)	100.00
Jeff Swanty	
Board Meetings (8b)	100.00
TOTAL	\$ 188,873.43

White presented the financial report. He reviewed the revenue and expenses including the October revenues which included approximately \$22,000 for specific ownership tax. White also reviewed the change in the position line on the Revenue and Expenditures – Actual and Budgetary Basis. White stated that the budget column was divided into twelve equal parts for revenues and expenses. Due to the fact that the Rural district and the City pay two months of contribution to the Fire Authority in early January of each year to provide the Fire Authority with funds for operations, the Authority contribution figures, actual compared to budgeted figures, do not accurately reflect this fact.

President Legits opened the hearing on the 2017 Budget. White reported that the required notice was published as required, and that he had received no written communications or inquiries on the budget. White reviewed the proposed 2017 Budget with the Board and highlighted the following portions of the Budget:

REVENUES

- General Property Tax Revenue is down approximately \$150,000 due to the lowering of the assessed valuation of the District for 2017. As previously reported, this was primarily due to reduction of oil & gas production in the Rural District.
- Specific Ownership Tax revenue is increased to \$200,000 and maintained at that level based upon 2016 collections.
- The Pinewood Contract for services increases 4% per year.
- Expenses.
 - ❖ The Fire Authority expense is based upon the adopted 2017 Fire Authority Budget.
 - ❖ Canyon Facilities Cost and Capital Expenditures are zero as those are now part of the responsibility of the Fire Authority.
 - ❖ Pension Fund, the \$25,000 is the District's contribution to the Canyon Pension Fund.
 - ❖ Insurance costs projected for 2017 as the actual premiums for 2017 have not been received from the Special District Association.
 - ❖ Contingent is increased to \$130,000 in order to provide budgeted funding in the event of the need to reimburse FEMA for contributions to the District unused following the 2013 flood, and the possibility of the purchase of the new Station 7 site by the Fire Authority which will require Rural District contribution.
 - ❖ Election expense of \$60,000 is budgeted in the event the Rural District wishes to hold a mill levy election in November of 2017.
 - ❖ Vehicle Self-Insurance Fund remains in the same amount as previous years. Due to the fact that the Fire Authority will be insuring all vehicles and equipment, it will no longer serve as a Vehicle Self-Insurance Fund but as a Reserve Fund for the Rural District. Upon request by the Rural Board, White agreed to change this fund designation in the final 2017 Budget.

After discussion, upon motion by Anderson, seconded by Swanty, 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 2, 2016, 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:	\$3,170,538
B. Reserve Fund:	\$ 342,658
TOTAL:	\$3,513,196

Section 2. That estimated revenues are as follows:

A. General Fund:

From general property tax levy:	\$2,485,300
From sources other than general property tax:	\$ 906,561
TOTAL REVENUES:	\$3,391,861

B. Reserve 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 2017.

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 2, 2016; 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:

General Fund:	\$3,170,538
Capital Outlay:	\$ 0
Contingent:	\$ 130,000
Current Operating Expenses:	\$2,948,192
TABOR Reserve	\$ 92,346
Total:	\$3,170,538
Reserve Fund:	\$ 342,658
Expenses:	\$ 332,600
TABOR Reserve:	\$ 10,058
Total:	\$ 342,658

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 2, 2016; and

WHEREAS, the amount of money from real property tax assessments necessary to balance the budget for the general operation expense is \$2,485,300 for the General Fund; and

WHEREAS, the 2016 valuation for the assessment for the Loveland Rural Fire Protection District is \$285,404,169.

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 2017 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 2017.

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.

President Legits opened the public hearing on the Petition of Robert Dehn and Heron Point Investments, LLC; and Heron Ridge Holdings, LLC for exclusion of properties from the Loveland Rural Fire Protection District. White reported to the Board that he received no communications or inquiries concerning this matter, the required notice was published, and notification was given to the Petitioners of this hearing. White briefed the Board on the requirements for exclusion of this property from the Rural District. White reviewed the provisions of the Intergovernmental Agreement between Berthoud Fire Protection District and Loveland Rural Fire Protection District regarding exclusions for property annexed into the Town of Berthoud and subject of the terms and conditions of the IGA.

In response to a question from Director McKenna, White noted that due to the timing of the exclusion and the terms of the IGA, the Rural District would receive its share of real property taxes beginning in 2018 from this property.

After discussion by the Board, upon motion by Anderson, seconded by Swanty, and a vote of three yes, and Director McKenna voting no, the following Resolution was approved:

RESOLUTION

WHEREAS, the property owner set forth below has petitioned the Loveland Rural Fire Protection District for the exclusion from said District of the land described in the Petition for Exclusion attached hereto as **Exhibit A**; and

WHEREAS, public notice has been published in accordance with law, calling for a public hearing on the prayer of said Petition, proof of which is attached hereto as **Exhibit B**; and

WHEREAS, based upon the Petition and such other evidence as was presented to the Board and made part of the record in this proceeding, the Board has found and does hereby find, relative to the grant or denial of the Petition for Exclusion, and in accordance with the criteria set forth in Section 32-1-501(3), C.R.S. that:

- (a) (I) Exclusion is in the best interests of the property seeking exclusion.
- (a) (II) Exclusion is in the best interests of the District.
- (a) (III) Exclusion is in the best interests of the County of Larimer, in which the District is located.
- (b) The relative cost and benefit to the property to be excluded from the provision of services by the District is negligible.
- (c) The ability of the District to provide economical and sufficient service to all of the properties remaining within the District's boundaries will be unchanged by the exclusion.
- (d) The ability of the District to provide services at a reasonable cost will be unchanged by the exclusion.
- (e) The economic impact of the exclusion of the property will not significantly impact the region and state.
- (f) Economically feasible alternative service will be available as the property will be included in the Berthoud Fire Protection District.
- (g) The additional cost to be levied on other property within the District if the exclusion is granted is expected to be reasonable, under the circumstances.

WHEREAS, the Board, after considering the evidence and all of the factors and findings set forth above, has determined and does hereby determine that the property in whole, as described in **Exhibit C** attached hereto, should be ordered excluded from the boundaries of the Loveland Rural Fire Protection District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District shall, and hereby does order:

1. The land described in **Exhibit C** attached hereto be excluded from the boundaries of the Loveland Rural Fire Protection District upon appropriate approval of the District Court for Larimer County, Colorado.

FURTHER, that the name and address of the owner of said property is as follows:

Petitioner: Robert Dehn
246 Barberry Place
Loveland, Colorado 80537

Andrew Gerk
Heron Ridge Investments, LLC
Heron Ridge Holdings, LLC
Andrew Gerk, Its Authorized Agent
7251 W. 20th St., Suite L200
Greeley, Colorado 80634

FURTHER, the description of the property ordered excluded is provided in **Exhibit C** attached hereto and incorporated herein by this reference

Chief Miller presented the Chief's Report. The acquisition of property for Station 7 is ongoing. The proposed contract is under review, and it is anticipated that the contract will be executed by the Fire Authority and the owner in the near future.

Miller reported on the meeting of the Funding Committee for determining financing options for acquisition, construction and operation of Station 7, and potentially Station 10. The meeting included representatives from the City Finance and Budget Departments, the City Attorney's Office, Fire Authority, IT, and White representing the Rural District. The Funding Committee's next meeting will be November 9, 2016. Miller noted that the discussion centered on use of City Fire CEFs for future funding.

Miller further noted that he would be meeting on November 11, 2016 with Gary Gerrard for the possible acquisition of a site for Station 10 within the 2534 Development area.

Miller reported that there recently was an article published in the Johnstown Breeze concerning property located within the Town of Johnstown and the 2534 and Thompson River Ranch area. He noted that he had been contacted by the reporter with regard to this article concerning the responsibility of the Fire Authority for this area and the connection with the Loveland Rural Fire Protection District.

Miller further noted that he had also talked with Emily Powell and Dino Ross, general counsel for the Fire Authority, concerning the possibility of exclusion of the 2534 property from the Rural District. He reported that their legal opinion is the same as the previous opinions by White concerning the lack of legal authority for exclusion of this property from the Rural District. He stated that the possible location of the new station in the 2534 area would further strengthen the legal authority of the Rural District to deny exclusion of this property from the Rural District.

Miller stated that on November 1, 2016, the City Council approved the City's Budget including the amount necessary to pay the City's contribution for the 2017 adopted LFRA budget.

Miller noted that the Department is hiring five new firefighters as a result of the termination of the part-time program.

Miller stated that the Fire Authority is in the process of hiring a new person to perform human resources, risk management, and health claims for the Fire Authority.

Miller also reported that the Fire Authority Board had approved the transfer of all Fire Authority personnel from the City's Benefit Plan to the CEBT Health and Benefit Plan. This will result in savings of approximately \$420,000 in 2017 plus individual Fire Authority employees will be subject to a 7% increase in the individual employee's cost for coverage as opposed to the projected 25% increase in employee costs under the City's benefit program.

Miller stated that he and other staff had attended the State Chiefs Conference in Keystone where Chief Sparks received the Fire Instructor of the Year award.

Chief Miller commented on the Department's activities with regard to election campaigns using the airport and The Ranch. The Department provides coverage at the airport and crowd control at The Ranch.

Miller presented the Intergovernmental Agreement for Apparatus Purchase. Miller and White reviewed the provisions of this IGA which has been approved by the LFRA Board. Director Swanty questioned whether or not a cap should be placed, if possible, on interest payments by the District pursuant to Section 3.b. of the IGA. He stated that the interest be capped at 3% without prior authorization of the District. Upon motion by Swanty, seconded by McKenna, and unanimously carried, subject to the change capping the interest at 3% in the IGA, the Board approved the IGA for Apparatus Purchase.

Administrative Service Director Wheeler stated that she had no report other than the Monthly Report will be out in the near future.

There was no Community Safety Division Report from Chief Sparks.

Chief Ward presented the Operation Division Report. He reported on significant calls in the last month as follows:

- October 17 – a barn fire in Berthoud Fire Protection District that was ignited due to windy conditions on that date.
- October 17 – the Department dispatched a crew and engine to Pueblo for the Junkins Fire. The crew spent two days and then went to Boulder for standby until October 31 where the crew and apparatus participated in a wildland fire in the Boulder area.

Ward briefed the Board on a duck hunter who became mired in mud in the Simpson Ponds. He noted that the duck hunter and the dead duck were rescued.

Ward stated that the Department conducted the FAA required drill. This drill is required every third year.

Ward noted that Chiefs Cervoski and Smith gave fire instructor classes at the State Convention.

Chief Neal gave the Canyon Department Report. He provided the expenditures of the Canyon Department for October. A full accounting will be provided in November as Karen Debenham is on vacation.

Neal briefed the Board on the internet problem which has been much better after the intervention of City Manager Adams.

There were no significant calls during the month of October. The Canyon Department has gone through extrication training with the Estes Valley Department. Also, he reported that the Department is working with Kiewit with regard to road closures and access of the Department's personnel through the closed portion of the Canyon.

Director Swanty, in reviewing the October expenditures, asked what the iPads were used for. Chief Neal responded that they are used on wildland response for reports that can be filled out on scene, contain topo maps, and response and safety procedures.

Bob Boggio asked if the recent winds had caused any problems with the new radio tower. Chief Miller stated that there were no problems with the tower.

There being no further business, the meeting was adjourned.

Gregory A. White, Secretary/
Assistant Treasurer

ATTEST:

President