

**FOOTHILLS FIRE  
PROTECTION DISTRICT  
PROPOSED BUDGET**

**For the year ending  
December 31, 2007**

**DRAFT**

7900 East Union Avenue

Suite Nine Hundred

Denver, Colorado 80237

T 303.773.3391

F 303.773.3361

## **Accountants' Compilation Report**

The Board of Directors  
Foothills Fire Protection District  
Golden, Colorado

We have compiled the accompanying proposed budget for the General Fund, the Debt Service Fund, and the Pension Fund of the Foothills Fire Protection District for the year ending December 31, 2007, including the forecasted estimate of comparative information for the year ending December 31, 2006, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A budget compilation is limited to presenting, in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budgets or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report, except that which will be required for preparation of the adopted 2007 budget after the public hearing and review and revision by the District's Board of Directors.

The actual historical information for the years 2004 and 2005 is presented for comparative and evaluation purposes only. This information was taken from the audit reports of the District for the years ended December 31, 2004, and 2005 as prepared by McMahan and Associates, L.L.C., March 4, 2005, and August 30, 2006, in which unqualified opinions were expressed.

For this proposed budget compilation, management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusion about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to the Foothills Fire Protection District.

October 20, 2006

**FOOTHILLS FIRE PROTECTION DISTRICT  
BUDGET MESSAGE  
2007 PROPOSED BUDGET**

**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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The proposed Budget of the Foothills Fire Protection District for the year ending December 31, 2007, has been prepared using the modified accrual method of accounting.

**Services Provided**

The Foothills Fire Protection District was formed on January 1, 1997, when the District Court ordered the consolidation of the Idledale Fire Protection District, the Lookout Mountain Fire Protection District and the Mount Vernon Fire Protection District. The District provides fire protection, rescue, and emergency services within its service area. The District is located entirely within the boundaries of Jefferson County, Colorado.

The District anticipates that it will provide the same level of services in 2007 as it did in 2006. Since 2002, the District has been managed by a full time District Administrator and staff of three. A Certified Public Accounting firm provides accounting and financial reporting services for the District.

**Equipment Lease Purchase Agreements**

On October 15, 1999, the District entered into a Lease Purchase Agreement with Norwest Investment Services, Inc. for the lease purchase of two firefighting apparatus. This lease was refinanced on February 7, 2003, with SunTrust Leasing Corporation. The term of the lease purchase agreement is for a period beginning February 2, 2003, and ending July 7, 2009. The annual lease payment is \$57,183.

On November 3, 2003, the District entered into a Lease Purchase Agreement with Municipal Services Group, Inc. for the lease purchase of communications equipment. The term of the lease purchase agreement is for a period beginning November 3, 2003, and ending November 3, 2009. The annual lease payment is \$16,674.

The lease agreements are renewed annually in accordance with TABOR limitations. Copies of Lease Purchase Agreements with payment schedules are available at the District's offices.

**Revenues**

**General Fund:** Approximately 82% of 2007 revenues are budgeted to be derived from real property taxes. A 9.196 mill levy will be certified by the District. The remaining sources of 2007 budgeted revenues are budgeted to be derived from specific ownership taxes, gifts and grants, response fees, other fees, and interest earnings on invested cash balances.

**Debt Service Fund:** The District will transfer funds from the General Fund for its 2007 General Obligation Bonds debt service requirement.

**Pension Fund:** Sources of revenue for 2007 will be District and State contributions and estimated earnings on fund balances.

**FOOTHILLS FIRE PROTECTION DISTRICT  
BUDGET MESSAGE  
2007 PROPOSED BUDGET**

**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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**Expenditures**

**General Fund:** The District's 2007 expenditures for departmental and administrative operations are based on the plan to provide the same level of service in 2007 as provided in 2006.

**Debt Service Fund:** Debt service fund expenditures for 2007 are based on the scheduled requirements for bond principal and interest for the Series 1993 General Obligation Bonds. This is the final scheduled payment on that bond issue.

**Pension Fund:** The District's Pension Fund is administered by the Fire and Police Pension Association of Colorado (FPPA). Budgeted expenditures for 2007 benefits are based upon information provided in the actuarial valuation report of January 1, 2005.

**Fund Balance Reservations**

**Emergency Reserve:** The District has provided an emergency reserve fund for 2007 in an amount equivalent to 3% of budgeted General Fund expenditures, except bonded debt service requirements, in accordance with the TABOR Amendment to the Colorado Constitution.

**Reserved Grant Revenue:** This amount represents principal and interest earnings on the remaining amounts of grant funds received from KWGN and Clear Channel designated for building improvement. A portion of the grants proceeds were used in 2005 and 2006 for acquisition of fire apparatus as designated by the grants.

**Reserved for Building:** This represents an amount of the General Fund Balance which has been reserved by the District's Board of Directors for use in future building improvements and or additions.

**Information available**

Information about the details used as the basis for the 2007 budget is available from the District administrative office.

October 20, 2005

**FOOTHILLS FIRE PROTECTION DISTRICT  
2007 PROPOSED BUDGET - GENERAL FUND  
FOR THE YEAR ENDING DECEMBER 31, 2007**

	Actual 2004	Actual 2005	Estimated Actual 2006	Proposed Budget 2007
<b>Revenue</b>				
Real Property Taxes	630,295	632,343	667,900	674,000
Specific Ownership Taxes	68,036	61,219	63,000	62,800
Permit Fees and Other	3,626	2,905	1,500	2,000
Response Fees	60,893	41,388	41,700	50,000
Grants and Gifts - unrestricted	73,997	21,494	7,500	12,000
Grants and Gifts - KWGN & Clear Channel	-	67,000	203,000	
Sale of Equipment	-	-	-	-
Interest Income - unrestricted	5,420	14,127	16,900	12,500
Interest Income - restricted	-	1,024	10,000	6,450
Lease Proceeds	-	-	-	-
Salary Reimbursements			6,200	
<b>Total Revenue</b>	<b>842,267</b>	<b>841,500</b>	<b>1,017,700</b>	<b>819,750</b>
<b>Expenditures</b>				
Personnel - schedule	202,191	226,468	236,600	257,700
General District Expenditures - schedule	161,388	141,316	132,623	142,110
Capital Outlay - schedule	-	67,000	92,766	14,000
Capital Lease Payments	73,858	73,858	73,857	73,857
Durable Equipment - schedule	72,128	11,488	23,028	30,500
Department Operations				
EMS	31,818	16,168	2,500	3,600
Rescue	7,044	4,151	2,000	5,500
Wildland	12,254	11,942	6,520	8,000
Structural & Vehicle Rescue	11,748	8,691	10,200	10,000
Stations - schedule	23,900	26,717	32,500	32,900
Community Affairs	-	665	300	1,000
Fleet Maintenance	28,537	57,337	48,100	50,000
Fuel	6,819	10,173	12,500	15,000
Equipment Maintenance	11,465	3,575	13,000	14,500
Communications	7,919	6,287	6,000	8,500
Rehabilitation & Debrief	1,105	1,520	2,500	3,000
Personnel Recognition	11,437	11,037	9,500	10,000
Training - schedule	-	-	7,600	11,850
<b>Total Expenditures</b>	<b>663,611</b>	<b>678,393</b>	<b>712,093</b>	<b>692,017</b>
<b>Transfers</b>				
Transfer to Debt Service Fund	92,980	93,955	94,600	80,000
Transfer to Pension Fund	35,000	40,750	37,000	37,000
<b>Total Transfers</b>	<b>127,980</b>	<b>134,705</b>	<b>131,600</b>	<b>117,000</b>
<b>Total Expenditures &amp; Transfers</b>	<b>791,591</b>	<b>813,098</b>	<b>843,693</b>	<b>809,017</b>
<b>Revenue Over (Under)</b>				
<b>Expenditures &amp; Transfers</b>	<b>50,676</b>	<b>28,402</b>	<b>174,007</b>	<b>10,732</b>
Fund Balance - beginning of year	259,311	309,987	338,389	512,396
Fund Balance - end of year				
Reserved for Emergencies - TABOR	19,006	24,017	22,703	21,871
Reserved Grant Revenue	-	1,024	121,258	127,708
Reserved for Building	-	-	80,000	80,000
Unreserved	290,981	313,348	288,435	293,550
<b>Fund Balance - end of year</b>	<b>309,987</b>	<b>338,389</b>	<b>512,396</b>	<b>523,128</b>
<b>Assessed Valuation</b>	68,842,830	68,858,930	73,365,210	73,589,460
<b>Mills Levied</b>	9.196	9.196	9.196	9.196
<b>Property Taxes Levied</b>	\$ 633,079	\$ 633,227	\$ 674,666	\$ 676,729

**FOOTHILLS FIRE PROTECTION DISTRICT  
2007 PROPOSED BUDGET - GENERAL FUND  
Administration, General District Requirements,  
Capital Outlay, and Durable Equipment  
FOR THE YEAR ENDING DECEMBER 31, 2007**

	Actual 2004	Actual 2005	Estimated Actual 2006	Proposed Budget 2007
<b>Personnel Cost</b>				
Salaries and Benefits	200,347	225,998	235,200	-
Salaries	-	-	-	174,300
Benefits				
Health and Dental	-	-	-	37,765
Employee share	-	-	-	(9,441)
457 contributions	-	-	-	8,279
FPPA	-	-	-	16,733
FPPA D&D	-	-	-	4,183
Unemployment	-	-	-	1,150
Medicare	-	-	-	2,527
Workers' Comp	-	-	-	21,000
Uniforms	1,844	470	1,400	1,200
<b>Total Personnel Cost</b>	<b>202,191</b>	<b>226,468</b>	<b>236,600</b>	<b>257,700</b>
<b>General District Requirements</b>				
Office Supplies and Expenses	27,607	23,860	23,300	23,500
Fire Marshal Expenses	3,134	1,675	1,500	1,500
Professional Services - audit	2,950	3,950	3,950	4,500
Insurance	27,755	27,813	28,502	30,000
Professional Services - Attorney	83,988	67,700	21,000	24,000
Professional Services - Accountant	-	-	30,000	30,500
Professional Services - Collections	-	-	1,313	-
Professional Services - Fleet Mgmt	-	-	2,000	8,000
Board of Directors' Expenses	6,500	6,833	9,000	10,000
Election	-	-	2,040	-
County Treasurer Fees	9,454	9,485	10,019	10,110
<b>Total General District Requirements</b>	<b>161,388</b>	<b>141,316</b>	<b>132,623</b>	<b>142,110</b>
<b>Capital Outlay</b>				
Thermal Imagers	-	-	-	14,000
Building Improvements - KWGN grant	-	-	-	-
Building Improvements - District funds	-	-	-	-
Fleet Additions - District funds	-	-	-	-
Fleet Additions - Clear Channel grant	-	67,000	77,766	-
Fleet Additions - El Pomar grant	-	-	15,000	-
Communications	-	-	-	-
PPE - new recruits	-	-	-	-
SCBA	-	-	-	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>67,000</b>	<b>92,766</b>	<b>14,000</b>
<b>Durable Equipment</b>				
Office Desk Tops	-	-	5,959	-
Knox Keys Security Upgrade	-	-	-	-
Bunker Gear	-	-	10,000	23,500
Child Seat Trailer	-	3,800	-	-
Communications	72,128	7,688	1,318	2,500
Extrication Equipment	-	-	4,189	-
Multimedia equipment	-	-	1,500	-
Miscellaneous	-	-	62	-
Rescue Winch	-	-	-	4,500
<b>Total Durable Equipment</b>	<b>72,128</b>	<b>11,488</b>	<b>23,028</b>	<b>30,500</b>

**FOOTHILLS FIRE PROTECTION DISTRICT  
2007 PROPOSED BUDGET - GENERAL FUND  
Training and Stations  
FOR THE YEAR ENDING DECEMBER 31, 2007**

	Actual 2004	Actual 2005	Estimated Actual 2006	Proposed Budget 2007
<b>Training</b>				
EMS	-	-	2,500	3,600
Community Affairs	-	-	-	750
Fire	-	-	3,000	4,000
Wildland	-	-	300	1,000
Rescue	-	-	1,300	1,000
Leadership	-	-	-	500
Administration	-	-	500	1,000
<b>Total Training</b>	-	-	<b>7,600</b>	<b>11,850</b>
<b>Stations</b>				
Lookout Mountain	1,330	3,264	4,500	3,100
Grapevine	399	326	600	500
Idledale	735	728	600	700
Rainbow Hills	1,156	1,037	2,000	1,400
Mount Vernon	21	126	400	200
Utilities	20,259	21,236	24,400	27,000
<b>Total Stations</b>	<b>23,900</b>	<b>26,717</b>	<b>32,500</b>	<b>32,900</b>

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**FOOTHILLS FIRE PROTECTION DISTRICT  
2007 PROPOSED BUDGET  
DEBT SERVICE FUND  
FOR THE YEAR ENDING DECEMBER 31, 2007**

	Actual 2005	Estimated Actual 2006	Proposed Budget 2007
<b>Revenues</b>			
Transfer From General Fund	93,955	94,600	80,000
<b>Expenditures</b>			
Bond Principal	80,000	85,000	75,000
Bond Interest	13,552	9,153	4,350
Paying Agent Fees	403	447	650
<b>Total Expenditures</b>	93,955	94,600	80,000
<b>Revenues Over (Under) Expenditures</b>	-	-	-
Fund Balance - beginning of year	-	-	-
<b>Fund Balance - end of year</b>	-	-	-

**FOOTHILLS FIRE PROTECTION DISTRICT  
2007 PROPOSED BUDGET  
PENSION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Actual 2005	Estimated Actual 2006	Proposed Budget 2007
<b>Additions</b>			
District Contribution	40,750	37,000	37,000
State Contribution	31,500	33,100	33,100
Investment Income	94,991	88,000	91,000
<b>Total Additions</b>	<b>167,241</b>	<b>158,100</b>	<b>161,100</b>
<b>Deductions</b>			
Pension Payments	104,060	107,200	110,800
Trustee Fees	6,406	7,004	7,250
<b>Total Deductions</b>	<b>110,466</b>	<b>114,204</b>	<b>118,050</b>
<b>Net Increase in Fund Balance</b>	<b>56,775</b>	<b>43,896</b>	<b>43,050</b>
Fund Balance - beginning of year	999,036	1,055,811	1,099,707
<b>Fund Balance - end of year</b>	<b>1,055,811</b>	<b>1,099,707</b>	<b>1,142,757</b>

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