

SCHEURER & ASSOCIATES

A Professional Corporation

ATTORNEYS AT LAW

143 Union Boulevard

Suite 625

Lakewood, Colorado 80228-1827

Telephone (303) 985-2390

Fax (303) 985-3297

dick@rjlawpc.com

COPY

Richard J. Scheurer

December 8, 2005

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

Re: Letter of Budget Transmittal
Foothills Fire Protection District

Ladies and Gentlemen:

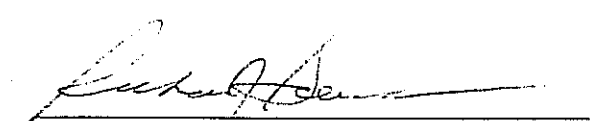
Attached is the 2006 Budget for the Foothills Fire Protection District, Jefferson County, submitted pursuant to C.R.S. § 29-1-116, 1973. The budget was adopted on November 15, 2005. If there are any questions in regard to this matter, please contact Rob Sontag, District Administrator, 67 South Lookout Mountain Road, Golden, CO 80401, 303-526-0707.

The 2006 Mill Levy certified to the County Commissioners is 9.196 mills for all general operating purposes (not G.O. Bonds and interest or contractual obligations approved at elections or levies for capital expenditures). Based on a total assessed valuation of \$73,365,210.00, the property tax revenue generated is \$674,666.00.

AN INCREASE LEVY BEYOND THE PROPERTY TAX REVENUE LIMIT IS NOT BEING REQUESTED.

I hereby certify that the enclosed are true and accurate copies of the Budget and Certification of Tax Levies to the Board of County Commissioners.

Signature of Agent:


Richard J. Scheurer, Attorney

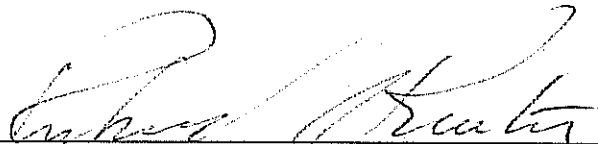
cc: Foothills Fire Protection District

TO: THE DIVISION OF LOCAL GOVERNMENT

RE: CERTIFICATION OF BUDGET - FOOTHILLS FIRE PROTECTION DISTRICT

This is to certify that the Budget for fiscal year 2006, attached hereto, is a true and accurate copy of the Budget for the Foothills Fire Protection District fiscal year ending December 31, 2006, as adopted on November 15, 2005.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Foothills Fire Protection District in Jefferson County, State of Colorado, this 15th day of November, 2005.



Treasurer

(SEAL)

**FOOTHILLS FIRE
PROTECTION DISTRICT**

ANNUAL BUDGET

**For the year ending
December 31, 2006**

Accountants' Report

The Board of Directors
Foothills Fire Protection District
Golden, Colorado

We have compiled the accompanying adopted budgets for the General Fund, the Debt Service Fund, and the Pension Fund of the Foothills Fire Protection District for the year ending December 31, 2006, including the forecasted estimate of comparative information for the year ending December 31, 2005, 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.

The actual historical information for the years 2003 and 2004 is presented for comparative purposes only. This information was taken from the audit report of the District for the years ended December 31, 2003 and 2004, as prepared by McMahan and Associates, L.L.C., dated January 16, 2004, and March 4, 2005, in which unqualified opinions were expressed.

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.

December 6, 2005

**FOOTHILLS FIRE PROTECTION DISTRICT
BUDGET MESSAGE
2006 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Page 1 of 2

The Budget of the Foothills Fire Protection District for the year ending December 31, 2006, 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 medical 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 2006 as it did in 2005. Since 2002, the District has been managed by a full time District Administrator and staff. A Certified Public Accounting firm provides financial management and accounting 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 \$16,674.18.

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 58% of 2006 revenues are budgeted to be derived from real property taxes. A 9.196 mill levy has been certified by the District. The remaining sources of 2006 budgeted revenues are to be derived from specific ownership taxes, gifts and grants as defined in the budget document, response fees, fire prevention fees, and interest earnings on cash balances with ColoTrust.

Debt Service Fund: The District will transfer funds from the General Fund for its 2006 General Obligation Bonds debt service requirement.

Pension Fund: Sources of revenue for 2006 will be District and State contributions and estimated earnings on fund balances.

**FOOTHILLS FIRE PROTECTION DISTRICT
BUDGET MESSAGE
2006 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Page 2 of 2

Expenditures

General Fund: The District's 2006 expenditures for departmental and administrative operations are based on the plan to provide the same level of service in 2006 as that provided in 2005. Most capital expenditures will be funded, as defined in the accompanying budget document, with anticipated grant revenues.

Debt Service Fund: Debt service fund expenditures for 2006 are based on the scheduled requirements for principal and interest.

Pension Fund: The District's Pension Fund is administered by the Fire and Police Pension Association of Colorado (FPPA). Budgeted expenditures for 2006 benefits are based upon information provided by FPPA.

Emergency Reserve: The District has provided an emergency reserve fund for 2006 in an amount equivalent to 3% of certain General Fund expenditures in accordance with the TABOR Amendment to the Colorado Constitution.

Information about assumptions and estimates used as the basis for the 2006 budget are available at the District administrative office.

December 6, 2005

**FOOTHILLS FIRE PROTECTION DISTRICT
2006 ADOPTED BUDGET
GENERAL FUND
FOR THE YEAR ENDING DECEMBER 31, 2006**

	Actual 2003	Actual 2004	Estimated Actual 2005	Adopted Budget 2006
Revenue				
Real Property Taxes	516,066	630,295	632,200	667,900
Specific Ownership Taxes	58,978	68,036	58,500	61,800
Fire Prevention Fees	400	3,626	1,600	1,800
Response Fees	99,025	60,893	40,000	40,000
Grants and Gifts - unrestricted	168,603	73,997	16,600	6,000
Grants and Gifts - restricted usage	-	-	158,900	222,800
Restricted Grant Funds transfer	-	-	(88,000)	88,000
Sale of Equipment	81,000	-	-	-
Interest Income	5,035	5,420	14,000	8,200
Lease Proceeds	455,407	-	-	-
Total Revenue	1,384,514	842,267	833,800	1,096,500
Expenditures				
Administration - schedule	245,939	232,932	249,545	268,669
General District Expenditures - schedule	181,101	162,343	147,930	159,997
Capital Outlay - schedule	335,136	-	67,000	340,000
Capital Lease Payments	425,040	73,858	73,900	73,900
EMS	27,643	31,818	17,700	2,500
Durable Equipment - schedule	-	72,128	11,590	72,800
Department Operations				
Rescue	888	7,044	5,600	3,200
Wildland	6,037	12,254	12,000	4,800
Structural & Vehicle Rescue	14,999	11,748	11,500	10,200
Stations - schedule	11,044	3,641	5,000	5,500
Community Affairs	729	-	1,000	2,800
Fleet Maintenance	46,402	28,537	62,200	48,100
Fuel	6,787	6,819	10,600	10,900
Equipment Maintenance	14,662	11,465	4,500	12,000
Communications	7,106	7,919	6,000	7,100
Rehabilitation & Debrief	247	1,105	1,214	1,000
Training - schedule	-	-	-	15,100
Total Expenditures	1,323,760	663,611	687,279	1,038,566
Transfers				
Transfer to Debt Service Fund	91,605	92,980	93,955	94,600
Transfer to Pension Fund	35,000	35,000	40,750	35,000
Total Transfers	126,605	127,980	134,705	129,600
Total Expenditures & Transfers	1,450,365	791,591	821,984	1,168,166
Revenue Over (Under)				
Expenditures & Transfers	(65,851)	50,676	11,816	(71,666)
Fund Balance - beginning of year	325,162	259,311	309,987	321,803
Fund Balance - end of year				
Reserved for Emergencies - TABOR	38,820	19,006	13,936	22,703
Unreserved	220,491	290,981	307,867	227,434
Fund Balance - end of year	259,311	309,987	321,803	250,137
Assessed Valuation	65,488,700	68,842,830	68,858,930	73,365,210
Mills Levied	8.000	9.196	9.196	9.196
Property Taxes Levied	\$ 523,910	\$ 633,079	\$ 633,227	\$ 674,666

**FOOTHILLS FIRE PROTECTION DISTRICT
2006 ADOPTED BUDGET
GENERAL FUND
Administration, General District Requirements,
Capital Outlay, Durable Equipment, Training, and Stations
FOR THE YEAR ENDING DECEMBER 31, 2006**

	Actual 2003	Actual 2004	Estimated Actual 2005	Adopted Budget 2006
Administration				
Salaries and Benefits	208,321	200,347	226,200	243,069
Office Supplies and Expenses	34,433	27,607	21,250	23,900
Fire Marshall Expenses	2,519	3,134	470	1,700
Uniforms	666	1,844	1,625	1,400
Administration Total	245,939	232,932	249,545	268,669
General District Requirements				
Personnel Recognition	11,674	11,437	10,000	9,500
Audit	3,350	2,950	3,950	3,950
Insurance	28,084	27,755	28,000	29,400
Professional Services	102,198	83,988	66,600	67,000
Board of Directors' Expenses	7,774	6,500	7,000	7,100
Utilities	20,280	20,259	23,000	29,000
Election	-	-	-	4,000
County Treasurer's Fees	7,741	9,454	9,380	10,047
General District Requirements Total	181,101	162,343	147,930	159,997
Capital Outlay				
Portable Extrication Power Unit	-	-	-	8,000
2 Thermal Imagers - FEMA 90% grant	-	-	-	24,000
Building Improvements - Clear Channel grant	-	-	-	140,000
Building Improvements - District cost	-	-	-	80,000
Fleet Additions - Clear Channel grant	41,134	-	67,000	73,000
Communications	98,297	-	-	-
PPE for New Recruits	16,410	-	-	-
SCBA	179,295	-	-	-
Foam System - El Pomar grant	-	-	-	15,000
Capital Outlay Total	335,136	-	67,000	340,000
Durable Equipment				
Office Desk Tops	-	-	-	3,000
Knox Key Secures - 11 - FEMA 100% grant	-	-	-	6,300
Bunker Gear - FEMA 90% grant funds	-	-	-	41,000
Child seat trailer - 100% grant funds	-	-	3,900	-
Communications	-	72,128	7,690	-
Engine Laptops - Homeland Security 100% grant	-	-	-	18,000
Rope Rescue Capstan	-	-	-	4,500
Durable Equipment Total	-	72,128	11,590	72,800
Training (new category - 2006)				
EMS	-	-	-	3,700
Community Affairs	-	-	-	900
Fire	-	-	-	6,400
Wildland	-	-	-	1,700
Rescue	-	-	-	1,300
Administration	-	-	-	1,100
Training Total	-	-	-	15,100
Stations				
Lookout Mountain	5,068	1,330	3,205	2,500
Grapevine	2,843	399	155	1,000
Idledale	720	735	560	600
Rainbow Hills	2,413	1,156	925	1,300
Mount Vernon	-	21	155	100
Stations Total	11,044	3,641	5,000	5,500

FOOTHILLS FIRE PROTECTION DISTRICT
2006 ADOPTED BUDGET
DEBT SERVICE FUND
FOR THE YEAR ENDING DECEMBER 31, 2006

	Actual 2004	Estimated 2005	Adopted Budget 2006
Revenues			
Transfer From General Fund	92,980	93,955	94,600
Expenditures			
Bond Principal	75,000	80,000	85,000
Bond Interest	17,565	13,553	9,153
Paying Agent Fees	415	402	447
Total Expenditures	92,980	93,955	94,600
Revenues Over (Under) Expenditures	-	-	-
Fund Balance - beginning of year	-	-	-
Fund Balance - end of year	-	-	-

FOOTHILLS FIRE PROTECTION DISTRICT
 2006 ADOPTED BUDGET
 PENSION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Actual 2004	Estimated 2005	Adopted Budget 2006
Additions			
District Contribution	35,000	40,750	35,000
State Contribution	31,500	31,500	36,675
Investment Income	107,925	80,000	100,000
Total Additions	174,425	152,250	171,675
Deductions			
Pension Payments	96,690	105,000	114,100
Trustee Fees	3,544	6,000	6,200
Total Deductions	100,234	111,000	120,300
Net Increase in Fund Balance	74,191	41,250	51,375
Fund Balance - beginning of year	924,845	999,036	1,040,286
Fund Balance - end of year	999,036	1,040,286	1,091,661

CERTIFICATION OF TAX LEVIES

TO: County Commissioners of Jefferson County, Colorado.

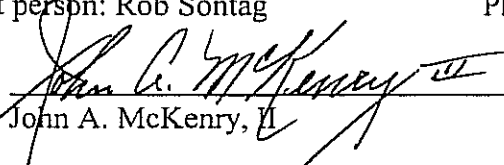
For the budget year 2006, the Board of Directors of the **FOOTHILLS FIRE PROTECTION DISTRICT** hereby certifies a total levy of **9.196 mills** to be extended by you upon the total assessed valuation of \$73,365,210 produce \$ 674,666 in revenue.

The levies and revenues are for the following purposes:

	Levy		Revenue
1. General Operating Expenses	<u>9.196</u> Mills	\$	674,666.00
2. Refunds/Abatements	<u>0</u> Mills	\$	-0-
3. Annual Incentive Payments Pursuant to 30-11-123(6) CRS (Counties only) or 31-15-903(5) CRS (Municipalities only)	<u>0</u> Mills	\$	-0-
SUBTOTAL	<u>9.196</u> Mills	\$	674,666.00
4. General Obligation Bonds and Interest	<u>0</u> Mills	\$	-0-
5. Contractual Obligations Approved at Election	<u>0</u> Mills	\$	-0-
6. Capital Expenditures levied pursuant to 29-1-301(1.2) CRS (Counties and Municipalities only) or 29-1-302(1.5) CRS (Special Districts only)	<u>0</u> Mills	\$	-0-
7. Expenses Incurred in Reappraisal Ordered or Conducted by State Board (County only)	<u>0</u> Mills	\$	-0-
8. Payment to State of Excess State Equalization payments to school districts (County only)	<u>0</u> Mills	\$	-0-
9. Other (specify)	<u>0</u> Mills	\$	-0-
TOTAL	<u>9.196</u> Mills	\$	674,666.00

Contact person: Rob Sontag

Phone: 303-526-0707

Signed: 

John A. McKenry, II

Title: President

NOTE: Certification must be to three decimal places only, send copy to Division of Local Government.

Director Kunter Moved for the Adoption of the Following Resolution:

BEFORE THE BOARD OF DIRECTORS
OF THE
FOOTHILLS FIRE PROTECTION DISTRICT
STATE OF COLORADO
RESOLUTION NO. 2005 - 4

RE: ADOPTION OF THE 2006 BUDGET; TO SET MILL LEVIES; AND APPROPRIATE SUMS OF MONEY

ADOPT BUDGET

WHEREAS, the Board of Directors of the Foothills Fire Protection District has appointed a budget committee to prepare and submit a proposed 2006 budget to the Board; and

WHEREAS, such budget committee has submitted a proposed budget to this Board on or before October 15, 2005 for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on November 15, 2005, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases 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 Foothills Fire Protection District:

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

General Fund:	\$ 1,168,166.00
Debt Service Fund:	\$ 94,600.00
Pension Fund:	\$ 120,300.00

2. That estimated revenues for each fund are as follows:

General Fund:

From unappropriated surpluses	\$ 321,803.00
From sources other than general property tax	428,600.00
From the general property tax levy	667,900.00
Total General Fund	\$ 1,418,303.00

Debt Service Fund:

From unappropriated surpluses	\$ 0.00
From sources other than general property tax	94,600.00
From the general property tax levy	0.00
Total Debt Service Fund	\$ 94,600.00

Pension Fund:

From unappropriated surpluses	1,040,286.00
From sources other than general property tax	171,675.00
From the general property tax levy	0.00
Total Pension Fund	1,211,961.00

3. That reserves have been or are hereby established for each appropriate fund or combined as a single reserve fund as set forth in the budget in order to preserve the spending exemption for reserves under TABOR, and all such reserves shall be transferred or expended within any fund as set forth in the budget.

4. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the Foothills Fire Protection District for the 2006 fiscal year.

5. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

SET MILL LEVIES

WHEREAS, the amount of money necessary to balance the budget for general operating expenses is \$ 674,666.00 and

WHEREAS, the 2005 valuation for assessment for the District, as certified by the Jefferson County Assessor, is \$73,365,210.00 for general operations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Foothills Fire Protection District:

1. That for the purposes of meeting all general operating expenses of the District during the 2006 budget year, there is hereby levied a tax of 9.196 mills upon each dollar of the total valuation for assessment of all taxable property within the District, to raise \$ 674,666.00 in revenue.

2. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Jefferson County, Colorado, the mill levies for the District as hereinabove determined and set.

APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the District has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as 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 and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Foothills Fire Protection District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

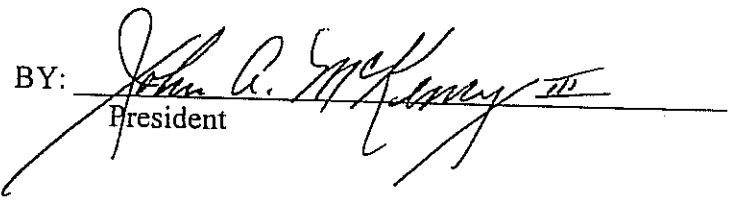
General Fund:	\$1,168,166.00
Debt Service Fund:	94,600.00
Pension Fund:	120,300.00
Emergency Reserve:	22,703.00

Director Findling seconded the motion for the adoption of the foregoing Resolution. The roll having been called, the vote was as follows:

Director Findling	<u>aye</u>
Director Medved	<u>aye</u>
Director Kunter	<u>aye</u>
Director McKenry	<u>aye</u>
Director Miller	<u>aye</u>

The Resolution was adopted by majority vote of the Board of Directors of the Foothills Fire Protection District this 15th day of November, 2005.

FOOTHILLS FIRE PROTECTION DISTRICT

BY: 
President