

LETTER OF BUDGET TRANSMITTAL

Date: January ~~5th~~, 2024

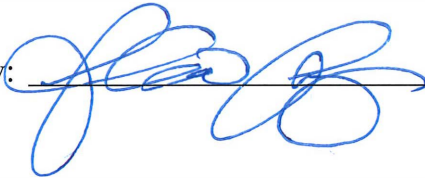
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached is the Resolution and Certified Copy of the 2024 budget and budget message for CLIFTON FIRE PROTECTION DISTRICT, in Mesa County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on January 5, 2024, as evidenced by the Resolution. If there are any questions, please contact:

Brian Cherveney
3254 F Road.
Clifton, Colorado 81520
970-640-9491
bcherveney@cliftonfire.com

I, Shannon Perez as Secretary of the Clifton Fire Protection District hereby certify that the attached is a true and correct copy of the 2024 Budget and Resolution adopting the same.

By: _____



RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE MONEY, AND TO SET AND CERTIFY
MILL LEVY FOR CLIFTON FIRE PROTECTION DISTRICT,
MESA COUNTY, COLORADO

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN, AND CERTIFYING AND LEVYING PROPERTY TAXES, ALL FOR THE 2024 FISCAL YEAR.

WHEREAS, the Board of Directors (“Board”) of the Clifton Fire Protection District (“District”) has authorized Brian Woods, Board President, who has been advised by the District’s consultants in connection therewith, to prepare and submit a proposed budget to the Board at the proper time; and

WHEREAS, the Budget (Exhibit A) and Budget Message (Exhibit B) has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held by the Board on January 5, 2024 during which a quorum of the Board was present, and interested electors were given the opportunity to file or register objections to the proposed budget, with none being filed or made; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law.

WHEREAS, it is not only required by law, but also necessary to appropriate revenues, reserves or fund balances for the purposes generally described below and in the 2024 Budget, to meet the estimated expenditures for 2024 and set a limitation thereon; and

WHEREAS, the 2023 valuation for assessment for the District, as certified by the Mesa County Assessor, is \$244,347,940. It is necessary for the District to certify and levy general property taxes for 2023, to be collected in 2024, the revenue from which, when combined with the estimated revenue from all other sources, shall be sufficient to meet estimated expenditures for 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CLIFTON FIRE PROTECTION DISTRICT, MESA COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto as Exhibit A and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the District for calendar year 2024.

Section 2. Budget Revenues. That the estimated 2024 revenues for each fund as set forth

in the budget attached hereto as Exhibit A are accepted and approved.

Section 3. Budget Expenditures. That the estimated 2024 expenditures for each fund as set forth in the budget attached hereto as Exhibit A are accepted and approved.

Section 4. Levying of Property Tax and Certification of Mill Levy.

- A. That for the purpose of meeting all general operating expenses and capital expenditures of the District during the 2024 budget year as set forth in the Budget adopted by the Board and attached as Exhibit A, there is hereby levied a tax of 11.552 mills upon each dollar of the total valuation of \$244,347,940 for assessment of all taxable property within the District for the year.
- B. That there is no levy (zero mills) for the purpose of abatements, meeting payments for bonds and interest, for rendering a refund to District constituents (either by temporary tax credit/mill levy reduction), or for any other purpose.
- C. That the Secretary of the Board is hereby authorized and directed to immediately certify to the County Commissioners of Mesa County, Colorado, the mill levies for the Clifton Fire Protection District as hereinabove determined and set.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Designation of Ending Fund Balances as Reserves. Pursuant to Article X, Section 20, of the Colorado Constitution, if the same is applicable to this District, the December 31, 2023, ending fund balance of the General Fund, the exact amount to be determined as part of the audit of the December 31, 2023 financial statements, is designated as a general reserve for future contingencies.

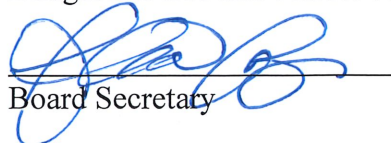
ADOPTED this 5th day of January 2024.

CLIFTON FIRE PROTECTION DISTRICT



Board President

ATTESTATION AND CERTIFICATION: I officially attest and certify that: (1) the mills set forth in Section 4 of the foregoing Resolution of the Clifton Fire Protection District Board ("Board") are to be levied against the District's gross assessed valuation; and (2) the attached 2024 Budget is a true and correct copy of the 2024 Budget adopted by vote of a quorum of the Board.


Board Secretary

	YTD 12.2022	Budget 2023	YTD October 2023	Budget for 2024
Property Taxes				
Total Property Taxes	2,702,220	2,729,356	2,598,989	3,452,707
Other Income				
Total Other Income	83,120	47,000	6,937	15,300
Public Safety Reimbursement	177,322	130,000	149,533	160,000
Deployment Reimbursement	7,266	17,000	0	0
State Pension Contribution	0	25,000	0	12,500
Supplimental Reimbursement	0	0	0	25,000
TOTAL INCOME	5,321,207	6,240,356	5,567,937	6,784,822
Administrative				
Wages				
Total Wages	1,810,738	1,787,390	1,458,984	2,138,885
Benefits				
Total Benefits	406,256	524,000	331,353	554,866
Payroll Expenses				
Total Payroll Expenses	50,055	35,600	38,886	46,422
Office Expenses				
Total Office Expenses	210,701	204,850	135,626	209,367
Total Administrative	2,477,749	2,551,840	1,964,848	2,949,541
Operations				
Clothing Allowance				
Total Clothing Allowance	8,446	27,200	8,980	28,000
Personal Protective Equipment				0
Total Personal Protective Equipment	14,852	41,600	9,014	23,500
Fire Operating Supplies				0
Total Fire Operating Supplies	-4,840	21,500	13,636	23,000
Operating Supplies				0
Total Operating Supplies	51,797	65,000	47,045	56,000
Training/Travel				0
Total Training/Travel	17,809	29,600	12,337	51,500
Station Operation				
Total Station Operation	29,237	32,500	24,294	33,500
Station Maintenance				
Total Station Maintenance	11,081	36,000	15,467	11,000
Public Education/Prevention				
Total Public Education/Prevention	1,818	1,150	0	1,200
Recruitment & Rentention				
Total Recruitment & Rentention	25,639	32,000	2,708	47,500
Total Operations	155,838	286,550	133,482	275,200

Fuel/Oil/Repairs & Maintenance				
Total Small Tools & Equipment	6,733	10,500	1,793	3,500
Total Apparatus	92,193	117,000	47,605	111,000
Total Station/Grounds Repair	9,982	7,500	5,207	8,500
Total Fuel/Oil/Repairs & Maintenance	108,909	135,000	54,605	123,000
Communications				
Total Communications	126,989	161,000	119,466	164,674
Other Fees				
Grant Match		0	0	
Total Grant Match	0	166,000	0	0
Ambulance Fees				
Total Ambulance Fees	867,985	1,940,200	1,186,690	1,705,885
Total Other Fees	918,080	2,196,200	1,235,770	1,795,885
Capital Projects				
Total Lease Purchase	0	0	0	0
Total Grant Projects	9,110	397,000	324,800	410,000
Total Capital Equipment	29,237	429,000	68,284	740,011
Total Capital Projects	38,347	826,000	393,084	1,150,011
Debt Service				
Total Debt Service	41,836	0	0	0
Additional Expenditures				
Total Additional Expenditures	250,000	462,798	0	296,749
Total Expense	4,155,470	6,619,388	3,901,256	6,755,060
Net To/(From) Reserves	1,165,737	-379,032	1,666,682	29,762

Estimated Beginning Fund Balance	3,955,318
Estimated Ending Fund Balance	3,985,080



Clifton Fire Protection District

2024 Budget Message

The 2024 Budget is submitted in accordance with the provisions of the Colorado Local Government Budget laws and takes into consideration the various budgetary policies, Board priorities, community needs, and resource allocation necessary for the safe, efficient, and effective deployment of services to the Clifton community.

District Services: The Clifton Fire Protection District (District) was established in 1943 as an all-volunteer Fire Department. Over time, the District has transitioned and now operates as an all-hazards public safety agency of 20 full-time employees and additional part-time personnel that provide traditional fire protection, hazardous materials incident response, technical rescue services, and Emergency Medical Services (EMS) to include patient transport (ambulance service) at both the Basic Life Support (BLS) and Advanced Life Support (ALS) levels.

The District deploys its personnel and apparatus from a single fire station located in the unincorporated community of Clifton serving an estimated population of 35,000 residents. The District has experienced call volume increases from a few hundred calls a year in the early 2000's to over 4,500 calls for service in 2023. On top of their own calls, the District's firefighters comply with mutual aid agreements from surrounding fire departments by responding to calls throughout the valley.

Basis of Accounting: The District's governmental funds are accounted for by using the modified accrual basis of accounting. The revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income is considered "measurable" when in the hands of intermediary collection governments and is recognized as revenue at that time. Expenditures are recognized under a modified accrual basis of accounting when the related fund liability is incurred. An exception to this rule is principal and interest on general long-term debt, which is recognized when due.

The District's paid and volunteer Firefighters Pension Funds are accounted for using the accrual basis of accounting. The revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The District records its investments at market value which follows the Colorado Fire and Police Pension Association (FPPA) Funds reporting policies and is in accordance with GASB Statement No. 68.

Revenue: The primary revenue sources are property taxes and ambulance billing services. The tax revenues are comprised of Personal Property and Specific Ownership taxes. Other revenue sources include grant income, fees for permits, special deployment reimbursements and a County Public Safety Reimbursement along with other miscellaneous income. The taxable property within the District is mostly comprised of residential and commercial property assessing a mill levy of 11.552.

Legislative Impacts: Aside from recent property market impacts, two main pieces of legislation will affect assessed values for local governments for the 2023 property tax year. SB22-238,



enacted in 2022, reduced the assessment rates of several property classifications and put into place a state backfill program. SB22-238 assessment reductions included a reduction in the residential property assessment rate to 6.765% and a reduction of the first \$15,000 of residential actual values. For the same 2023 property tax year which was impacted by SB22-238, SB23B-001 further reduced the assessment rate of residential property from 6.765% to 6.70%. It also further increased the actual value reduction of residential properties from \$15,000 to \$55,000. The District has received the final Certification of Valuation from the Mesa County Assessors and the adjustments associated with SB23B-001 and SB22-238 have been implemented. The State is assisting local governments with the decrease in the final Certification of Valuation compared to their preliminary Certification of Valuation by creating a State Backfill fund.

That same legislation requires backfilling by the state to counties, municipalities, and special districts for that “lost” revenue. State Backfill provisions will be addressed for each Senate Bill separately. SB22-238 backfill will be based on a percentage of the property tax revenue reduction as calculated with the 2023 budget year (2022 property tax year) mill levy and the SB22-238 reductions only. SB23B-001 backfill will also be based on a percentage of property tax revenue reduction but the revenue reduction calculation will be based on SB23B-001 reductions only. The information to calculate the amount of backfill has not been established before the 2024 Budget is finalized and submitted as required. Neither SB22-238 nor SB23B-001 contain provisions for property tax backfill after the 2024 budget year. The District has elected to adopt the 2024 budget with an estimated state backfill of \$320,000 and will consider readopting the budget or take official action to pass a supplemental budget, if necessary, later when the backfill is confirmed.

Property tax, Specific Ownership tax revenue and State Backfill is projected to be \$3,452,707 for 2024. Including other revenue sources and ambulance billing estimates, the anticipated revenue projections for the 2024 Budget are \$6,784,822. This is an estimated 8% overall increase from the 2023 Budget. It should be noted that collections in relationship to billing for ambulance service are much lower.

Operational Expenses: Payroll is the district’s major expense at just under \$2,740,000 and represents a 14% increase from the 2023 Budget. In summary, the district will continue to provide quality emergency services and fire code enforcement with a combination staffing model. Recruitment and retention have been challenging and an investment in one of our most important resources has been important to maintain our services and support our community. The District completed a compensation study in 2023 assessing current market conditions and adopted a new compensation plan in December 2023 that will help close the gap between where employees were in the market to where the compensation study has recommended changes. In addition to the recommended investment in current employees, the 2024 Budget includes two additional part-time staff to assist with increasing workloads. Overall operating expenses for 2024 are estimated to be \$5,308,300. The estimated overall operating expenses are projected to be less than a 1% increase from the 2023 Budget.



Capital Projects and Additional Expenditures: The District has budgeted to purchase fire apparatus and emergency response equipment in the amount of \$1,150,011. Additional expenditures totaling \$296,000 include a \$60,000 contingency fund, \$40,000 strategic planning and the Tabor 3% of Operations reserve fund in the amount of \$196,000.

Summary: Competitive pay and benefits, modern equipment and preparing a strategic plan for services including a new fire headquarters will be the priorities for 2024. The function of the existing station is nearing obsolete, limiting the District's ability to provide service safely and efficiently to the community. The District has also seen a significant increase in costs in the last year due to rising inflation and supply chain issues. The cost of emergency vehicles and equipment continues to rise at an even higher rate than inflation.

The District plans to pay for projected expenditures with 2024 projected revenues. The beginning fund balance is estimated to be \$3,955,318 and an ending fund balance of \$3,985,080 for 2024.

Questions regarding the 2024 Budget should be directed to Clifton Fire Protection District office (970) 434-5448.

Respectfully submitted,

A handwritten signature in blue ink, reading "Brian Woods", is written over a horizontal line.

Brian Woods
Board Chairman