

REVISED SERVICE PLAN FOR BEULAH FIRE PROTECTION AND AMBULANCE DISTRICT

The Beulah Ambulance District provides ambulance and emergency medical services (EMS) to residents and visitors in the Beulah Ambulance District's service area (same area as shown on Exhibit A). The ambulance district was formed in 2007 as a special district, pursuant to Title 32 of the Colorado Revised Statutes, to provide consistent revenue for operating expenses and to prepare for future needs. The Beulah Ambulance District's personnel is comprised of a five-member board of directors, a full-time chief and a volunteer EMS staff; collectively ensuring that the responsibilities of the district are met. The Beulah Ambulance District has improved services since its formation in 2007, building on the experience and resources of Beulah EMS, an all volunteer non-profit corporation formed in 1977 and forerunner of the Beulah Ambulance District. These advances have allowed for a fully functional Advanced Life Support ambulance crew to be available throughout the year.

The Beulah Valley Volunteer Fire Department, Inc. (BVVFD) a Colorado Non-profit corporation has provided fire emergency services to the Beulah area since 1949. For a variety of reasons, it does not have adequate, equitable and sustainable revenue or other needed resources to continue providing fire services to its current response area, which includes all of the Beulah Ambulance District and some areas outside it.

A citizens committee was formed on behalf of BVVFD in 2011. Its task was to investigate options to continue the provision of fire services to the area. It surveyed the community, held a straw vote and found that 92% of 260 polled favored a tax-funded fire department. Two-thirds of those who responded to the poll favored a combination of Beulah fire and ambulance services under one taxing district. The following factors contributed to the re-thinking of how fire service is provided to the Beulah area:

1. The lack of a steady, reliable, and equitable revenue source;
2. Aging equipment and no capital reserve fund for replacement;
3. Aging volunteers and inadequate training or recruitment programs to attract and retain new volunteer responders;
4. Possibility of downgrading current ISO classifications and raising insurance rates for many properties;
5. Diminished ability to compete for grants;

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6. Duplication of efforts by separate emergency services resulting in higher costs to the community;
7. Overall and ongoing maintenance costs of vehicles and buildings; and
8. High costs of maintaining and eventually replacing portable and mobile radios needed for emergency response communications.

As a result of current experience and community input, the BVVFD has asked the Beulah Ambulance District to add fire protection service to its Service Plan, meeting the community need for combined fire, emergency medical and ambulance services. That request was formally made by the BVVFD's Board to the Beulah Ambulance District's Board at the District's January 26, 2012 meeting. The District's Board of Directors voted unanimously to support that request.

If the change in Service Plan and associated 6.5 mill levy increase is approved by the District's voters, the District's combined services will include, but are not limited to the following: protection, control and suppression of wildland, structure and vehicle fires; emergency medical and ambulance services; and associated public information and education. The District would be re-named the Beulah Fire Protection and Ambulance District ("District"), to reflect emergency services provided to the community and the blending of two emergency service organizations that have served the community for decades. The District with the newly expanded services will work with residents, landowners, schools, commercial businesses, industrial concerns and Pueblo County government to provide mitigation and fire safety information, conduct fire inspections (per Uniform Fire Code, as adopted by Pueblo County), and issue burn permits as needed within the District boundaries. The District boundaries will remain the same as the existing Beulah Ambulance District boundaries (Exhibit A). If the proposed changes in the Service Plan and mill levy are not approved by the District's voters, the services and 7.0 mill levy of the Beulah Ambulance District will remain unchanged, and BVVFD and the community it serves will be left with all the challenges listed above.

(For purposes of clarity only the term "Beulah Ambulance District" as used in this Proposed Revised Service Plan for Beulah Ambulance District refers to the Beulah Ambulance District providing only emergency medical and ambulance services. The term "District" refers to the proposed Beulah Fire Protection and Ambulance District providing emergency medical services, ambulance and fire protection services.)

I. Services

- a. **Mission:** The mission of the District will be to enhance the quality of life of its residents and visitors by striving to provide the highest quality and efficient Fire Protection, Emergency Medical and Ambulance services in as timely a manner feasible, given reasonable economic and operational constraints.
- b. **Response Personnel:** With a combination of paid and volunteer responders, the District will be staffed with firefighters and emergency medical technicians (EMTs) to provide coverage throughout the response area.
- c. **Action Plan:** The District created and maintains a 5-year action plan in outline form to guide its basic operation and development.

II. Financial Plan

a. Budget

The annual budget is overseen by the Board of Directors to ensure that the citizen's tax dollars and other revenues are being managed appropriately. The proposed 2013 budget for the combination of fire, emergency medical and ambulance service to the district is attached (Exhibit B). The main source of funding for the Beulah Fire Protection and Ambulance District will be a 13.5 mill levy on property taxes which, based on the \$12,592,071 taxable assessed valuation of property within the District as of January 1, 2012, would generate approximately \$169,993 annually. This represents a 6.5 mill increase for the District to add fire protection service to its Service Plan.

In 2010 the Beulah Ambulance District implemented the billing of Medicare, Medicaid and private insurance companies for emergency medical responses. The results of this billing initiative were first realized in 2011 and are expected to continue into the future. Net insurance billing revenue for the District was \$32,750 in 2011 and is estimated to be \$29,900 in 2013 dependent on variables such as EMS call volume and percentage of billing collection. This new revenue source will have a significant positive impact on operating expenses in future budgets. It may also allow the District to strengthen its financial position and address areas of improvement as identified in the District's 5-Year Action Plan. These revenues are supplemented by grant and donated funds; to the degree they are available. The total District revenue from all sources in 2013 is estimated to be \$209,621. Of that amount, the share represented

by adding fire protection service to the District in 2013 is projected to be \$82,662.

As always, financial decisions, direction, and efforts are based upon value to the Beulah community. It is the intent of the District to continue to provide an indispensable service upon which Beulah area residents and visitors can depend.

b. Basis of Budgeted Expenses

The budgeted expenses set forth in the proposed 2013 budget are estimated based upon knowledge of on-going and anticipated revenue and expenses to provide a combination of fire protection, emergency medical and ambulance services within the District. They were developed jointly by Beulah Ambulance District and BVVFD representatives. They take into account new goals for more extensive, professional and efficient service, as well as cost savings anticipated with economies of scale resulting from the combination of emergency services.

c. Current District Assets

Resources owned by the Beulah Ambulance District include the following:

1. One (1) Ambulance equipped and staffed for Advanced Life Support;
2. One (1) Ambulance equipped and staffed for Basic Life Support;
3. One (1) Staff response vehicle;
4. Miscellaneous medical equipment and supplies;
5. Personal protective gear and equipment;
6. Office equipment and supplies;
7. Radios (25 portables and 3 mobiles); and
8. Uncommitted cash reserves totaling \$55,748 as of January 1, 2012.

d. Assets to be transferred to the District from BVVFD

Following an affirmative vote approving changes to the District's mill levy on November 6, 2012, the BVVFD intends to transfer the following assets to the District:

1. Eight (8) Fire Vehicles;
2. One (1) semi trailer storage unit;
3. All personal protective gear and equipment;
4. All radios (25 portable and 7 mobiles);
5. All miscellaneous equipment, tools, hose, etc. owned by the current BVVFD;

6. Any cash carry-over including the Jimmy Armstrong Endowment Fund. All assets in the Jimmy Armstrong Endowment Fund will be earmarked for fire related expenditures; and
7. All real estate and appurtenant facilities owned by BVVFD.

e. Proposed Indebtedness

Other than normal monthly bills, the Beulah Ambulance District is debt free, as is the BVVFD. There is no proposed short-term indebtedness. It is the intent of the District to accomplish current short-term goals with revenue received.

f. Map of the Special District Boundaries and Estimate of Population and Valuation for Assessment

The map of the District is attached (Exhibit A) and coincides with the existing Beulah Ambulance District boundaries. The estimated population of the District is 2,288 (approximately 915 homes with 2.5 persons/home). The taxable assessed valuation of all land and structures in the District is \$12,592,071, based on information from the Pueblo County Assessor's Office (January 1, 2012).

g. Description of Existing and Planned Facilities

The Beulah Ambulance District currently rents office, storage and training room space at Suite A, 8870 Grand Avenue in Beulah. It is provided space to park one ambulance in a garage at the Beulah School, under terms of an Intergovernmental Agreement with Pueblo School District 70. It parks its second ambulance at BVVFD Station #2, with permission from the BVVFD. BVVFD currently owns two (2) fire stations (including land); those being Station #1 located at 8898 Grand Avenue and Station #2 located at 5051 Waterbarrel Road. The long-term plan of the District is to construct a new central fire/ambulance station with funding through savings, future donations and potential grant dollars. Station #2 will remain in service.

III. Conditional Approval

This Revised Service Plan shall be effective only upon the approval of District electors at a properly called election for the increase of the District's mill levy to a total of 13.5 mills.

CLOSING REMARKS

Currently, the donation-funded, non-profit BVVFD provides fire services as well as can be done with available resources. Aging equipment, limited training/recruitment of volunteers, inadequate, unreliable and unsustainable revenue makes it increasingly difficult to provide basic fire service. Maintaining the status quo (donation funded) for fire service is not a realistic option. The all-volunteer, donation-funded Beulah EMS faced similar challenges prior to 2007, when the Beulah Ambulance District was formed. Under this revised Service Plan, the District will combine fire protection, emergency medical and ambulance services for the first time ever in the Beulah area. The proposed changes to the District's Service Plan and mill levy, if approved by District voters, commits the community to a combined fire protection, emergency medical and ambulance service, and provides an opportunity to address the imposing and increasing operational standards, regulations, and expectations of a growing and changing population. The newly tasked District will be better prepared to provide emergency services to the community, regardless of the nature of the emergency. An affirmative vote November 6, 2012 on the increased mill levy is needed to allow those improvements to happen.

REVISED: May 21, 2012