

**BEULAH FIRE PROTECTION AND AMBULANCE DISTRICT  
BOARD OF DIRECTORS MEETING No. 143  
August 28, 2018**

**MINUTES**

The meeting of the Board was held at the Beulah Community Center in Beulah, CO.

Board members present were: Chair and President John Levar, Vice President Steve McLaughlin, Treasurer Joni Smith and Secretary Kim Toman. Absent was Fundraising Coordinator Bob Thompson. Also attending were Chief Bryan Ware and Andrew Wolf, CPA from the office of Garren, Ross & DeNardo Inc.

**Chair and President John Levar called the meeting to order at 6:32 p.m.**

**2. APPROVAL OF AGENDA.**

There were a few changes to the agenda. Item 3, Approval of Minutes of July 26, 2018 Meeting was deferred to the September Regular Board Meeting. The District laptop that Kim was using had issues so the minutes couldn't be finished for this meeting. Item 6.d 2017 Audit – Review & Resolution was moved to before Item 6.a District Auxiliary – Update. Two items were added under New Business: Item 7.a Assigning a Budget Officer for 2019 and Item 7.b Dotson Ranch.

*Motion was made by Steve McLaughlin to approve the agenda as presented, seconded by Kim Toman. Motion carried with no objections.*

**3. APPROVAL OF MINUTES of July 26, 2018 Meeting.**

This item was deferred to the September Regular Board Meeting. The minutes could not be created due to computer issues.

*Motion was made by John Levar to defer the approval of the July 26, 2018 Regular Meeting Minutes to the September Board Meeting, seconded by Joni Smith. Motion carried with no objections.*

**4. FINANCIAL REPORT**

**a.** The District's balance in the Bank of the San Juans (BSJ) Operating Account is \$88,076; the balance in the BSJ Savings Account is \$44,205

**b.** The BSJ Escrow Account balances is \$1,006,378 (left to write checks against).

**c.** The total Fire Station Expenses paid from inception is \$981,938.

**d.** The first construction loan payment to Bank of the San Juans was made in August. There was an issue in the District receiving the statement from the bank, but that has since been resolved.

**e.** Revenue Line Item 7300, Cash Donations, current month activity is \$2,087. This amount is the deposit of the revenues received from the inaugural Pancake Breakfast.

f. Expense Line Item 8230, Recruitment, Retention, Recogn., current month activity is \$500. This will be covered in the Chief's Report. (This item inadvertently was missed in the Chief's Report and will be reported in the September Regular Board Meeting).

*Motion was made by Kim Toman to accept the Financial Report, seconded by Steve McLaughlin. Motion carried with no objections.*

## **5. CHIEF'S REPORT, reported by Bryan**

a. So far this year there have been 158 total responses; 70 Fire/Rescue. Of the 88 medical calls, 61 have been transported.

b. Fire Danger Levels have been reduced from Very High to High due to the recent rainfall.

c. Saturday, September 22, 2018 is the next Community Blood Drive. Please sign up to donate blood and encourage community members to donate blood to this worthwhile cause.

d. From the monthly Pueblo County Chief's Meetings, Bryan was tasked with creating a "Battle Book." This document records, by description and photo, every person and every apparatus within Pueblo County's responding area. As a result of this effort, it will be considered by both Pueblo City and Pueblo County agencies to renumber all apparatus with an agency number along with an apparatus number so there are no duplicate vehicle numbers. If this project is completed, it will make radio communications more efficient.

## **6. OLD BUSINESS**

### **d. 2017 Audit – Review & Resolution**

Andrew presented the audit findings. 2013 was the last full audit done for the District. If the District has over \$750,000 in Expenses or Revenue, the State of Colorado requires a full audit. Due to the building of the new fire station, the District met this threshold in 2017 and is required to do a full audit. The District will pass this threshold in 2018 and will need to do another full audit for the 2018 fiscal year. This will be incorporated into the next 2018 budget revision. The audit took longer to prepare than usual because of disclosures required for contributions to the Fire and Police Pension Association. Every entity that contributes to this fund has to prepare their own disclosures. This is a very cumbersome task for the auditing firm.

One of the issues with preparing the audit is the actual, historical cost of apparatus purchased by the previous Fire and EMS entities which were turned over to the District when it was first formed. This creates issues in calculating the total of Capital Assets in the audit. This is not a very huge issue since there are not many vehicles left in service from the former emergency agencies.

On Page 13 of the audit, it is shown that Expenditures exceeded Revenues which could be a violation of Colorado Law. Page 24 of the audit shows where the Expenditures come from. The expenditures listed in the audit include the new station expenditures. The District was mistakenly showing these expenditures as an asset and liability instead of expenditures. Expenditures exceed Revenues by approximately \$262,154. This is merely

an accounting issue and will be resolved for 2018 with a budget revision for the 2018 fiscal year. Andrew noted that 3% DOLA Reserve did not need to be accounted for on the new station as it is a capital asset.

Andrew highlighted all the important facts included in the audit. The only item in question so far is on page 24 of the audit. Page 24 is the Statement of Revenues, Expenditures and Change in Fund Balance, Budget to Actual – General Fund. On this page, under the Revenue section, Charges for Services (Fire Contracts) shows an Original Budget figure of \$41,000. This seemed very high and Bryan suspected that figure to be closer to \$4,000. Andrew will look into how that figure was determined and get back to Bryan.

The last noteworthy point is that income and expenses must be accounted for separately. For example: Grant Income cannot be reduced by Grant Expenses. This general accounting principal applies to all account line items. Bryan will send a note to Gwen Watkins, the District accountant.

At the end of his presentation, the Board wanted more time to review the audit and agreed to have until Sept 15<sup>th</sup> to review the audit. On or just before Sept 15<sup>th</sup>, Bryan will send out an email to Board Members for approval of the audit. Upon email approval of the audit by Board Members, Bryan will have Andrew submit the audit. The audit is required to be submitted to the State of Colorado by the end of September. The formal Resolution approving the Audit will take place at the September 2018 Board Meeting. Any questions can be directed to Bryan or Andrew.

**a. District Auxiliary - Update**

The Auxiliary will be selling beer and wine at the Beulah Reunion on September 15<sup>th</sup>. Bryan is organizing a Reverse Raffle for this event as well. The expected revenue for the combination of events is about \$4,000.

**b. Fire Station Site Plans and Activities – Update**

**i. Permitting and Surveys**

There is nothing new to report.

**ii. Overall Project (Building & Water Line) Budget – Funding & Costs**

Bryan presented an updated Project Financing Summary. He noted that there is no funding yet for the concrete front, painting the interior, gear grid or office furniture for the 3 offices. Also needed, but not included in the Summary is an emergency generator, so at least bay doors can open in a power outage. The first 4 items have an estimated total cost of \$108,810. It is hoped that some savings can be made on other expenses already budgeted, but grants and donations will continue to be sought for the rest of the needed items for the new station.

**iii. Site Plans and Station Design**

There is nothing new to report.

**iv. Site Work**

Colorado Department of Transportation will be coming out to help with the removal of a few large trees at the entry way for the new station. Pueblo County will be coming out

next Monday with trucks to remove the remaining dirt. Pueblo County will be using the dirt for their specific needs.

Cement in front of the new station, excavation for drainage along the north side of the property line, and issues with south side site drainage will be completed in the next week.

**v. Backhoe Services, Water Line Construction & Contract Status – Update**

The overlay on Central will begin this Saturday. Seeding and reclamation was done this week, but here are issues with the work done to date. Bryan will follow up with this issue and it should be completed by next Wednesday.

**vi. F&D International – Contract Status Update**

There is nothing new to report.

**vii. DOLA Grants**

Crestina Martinez is the new DOLA Representative for this area. Bryan has sent emails and voicemails to Crestina with no response. Bryan will call DOLA tomorrow to find out the status of this grant, but for now, the District is anticipating NOT receiving these grant funds. These potential grant funds are for the Phase 1 overages which could total approximately \$63,000.

**viii. USDA Grant**

There is nothing new to report.

**ix. Other Grants**

Bryan will be working with the Auxiliary on potential grants to help fund the new station and some of the smaller projects for the fire station, kitchen, gear room etc.

**c. Mitigation Preparedness & Public Education on Flash Flooding**

The District has permission to put sirens on 5 of the 6 sites. This project may conclude with only 5 sirens installed. The 6<sup>th</sup> siren will be saved for a future location. Bryan will continue to move forward with the project which involves surveying the properties, filing the surveys with Pueblo County and installing the sirens. Also to be completed are the gates along North Creek Road. This project has a completion date of September 31, 2018.

**e. Station 1 – Appraisal and Sale**

The closing of the sale of Station 1 was moved to December 1, 2018 because the new station will not be completed by November 1. There were a number of buyer contingencies in the contract, but the buyer has opted out of all the contingencies except the clause that the property has a clean title. The title has been researched and was found to be clean.

**7. NEW BUSINESS**

**a. Appointing a Budget Officer**

The District, per State regulations, needs to appoint a Budget Officer. In the past, District Treasurer, Joni has served in this position.

*Motion to appoint Joni Smith as the Budget Officer for the Beulah Fire Protection and Ambulance district was made by Kim Toman, seconded by Steve McLaughlin. Motion carried with no objections.*

**b. Dotson Ranch**

Bryan received a proposal from Jim Campbell asking for permission to relocate a historical homestead found on the 3R Ranch to a location on the new station property.

After a brief summary of Jim's project, the Board discussed the pro's and con's of this request. In the end, the Board agreed it would potentially be ok to move the home to the new station property, given certain conditions. The Board asked Bryan to look into insurance regulations concerning liability of visitors to the home if it were moved to District property. Bryan will follow up on this issue.

**8. MOTION TO ADJOURN:** *Motion to adjourn was made by Joni Smith, seconded by Kim Toman. Motion carried with no objections.*

Meeting adjourned at 8:09 pm.

Kim Toman  
Secretary, Board of Directors  
Beulah Fire Protection and Ambulance District  
Final

Attachments

-Agenda

-Beulah Fire Protection and Ambulance District – Income Statement Compared to Budget, Jan 1 to July 31, 2018

- Beulah Fire Protection and Ambulance District – Statement of Fund Balance – Modified Cash Basis July 31, 2018

-Beulah Fire Protection & Ambulance District - Construction Project Financial Summary

-Beulah Fire Protection & Ambulance District – Audited Financial Statements with Independent Auditor's Report, December 31, 2017

-A Proposal – On the Relocation of the Peter Dotson House on the 3R Ranch