

SERVICE PLAN
FOR
PEYTON FIRE PROTECTION DISTRICT



SERVICE PLAN

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March 1988

Prepared by:

Peyton Fire Protection District Steering Committee

In cooperation with:

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SERVICE PLAN

PEYTON VOLUNTEER FIRE DEPARTMENT

SECTION A - INTRODUCTION

1. Name of District:

The proposed fire protection district shall be named PEYTON FIRE PROTECTION DISTRICT, hereinafter referred to as "District".

2. Description of the proposed services:

The proposed services include fire protection and emergency medical and rescue services.

3. Boundaries:

The jurisdictional boundaries of the District will include certain unincorporated properties within eastern El Paso County more particularly described in the attached legal description (Exhibit "A") and as depicted on the attached map (Exhibit "B").

4. Relationship to adjoining and overlapping districts:

There are no municipalities or special districts overlapping property within the proposed Peyton Fire Protection District. There are no municipalities within three miles of the proposed boundaries of the district. The proposed boundaries of the district abut the Falcon Fire Protection District to the west, the Ellicott Fire Protection District to the south and the Elbert Fire Protection District to the north. The majority of the proposed boundaries are within Peyton School District #23JT. The eleven sections of land along the easterly boundary of the proposed district are within Calhan School District RJ-1. The overlapping mill levies are as follows:

TABLE I

Peyton School District #23JT	45.45 mills
Calhan School District RJ-1	40.54
Regional Library	2.504
Upper Black Squirrel Groundwater District	0.950
El Paso County	11.00

Inclusion into the adjoining fire protection districts does not appear to be a viable alternative to the creation of the Peyton Fire Protection District for several reasons. Any such inclusion would require either the consent of one hundred percent (100%) of the property owners to be included or an election of the electors within the boundaries of the included property. The former approach would undoubtedly result in piecemeal and illogical inclusions with many enclaves or excluded parcels. The latter is essentially the same process that is to be followed for the creation of a new district. It is the opinion of the Steering Committee that because of the large geographical distances involved as well as other issues related to the desires of Peyton residents to provide their own fire protection services, a new fire protection district provides the most logical solution to upgrading the presently inadequate services.

5. Need/Inadequate existing service:

The Peyton Volunteer Fire Department, operating in cooperation with the El Paso County Sheriff's Office, has been providing fire suppression services to the Peyton area and portions of eastern El Paso County for a number of years. The Peyton Volunteer Fire Department has also provided medical service during this time. A list of fire and medical runs for

1986 and 1987 is provided in Exhibit D. The service needs of the Peyton area have not been adequately maintained and the burden of fire and medical protection may no longer be accommodated by year to year donations from various private individuals. Liability insurance coverage costs alone have threatened the closing of the volunteer department. (Please refer to Gazette Telegraph article-fall 1986 - Exhibit "C" hereto). In addition, equipment and manpower must be increased to cope with pending growth projected for this area of the County.

A number of Colorado municipalities and counties have faced this dilemma in the past and have turned over fire protection services to a fire protection district. In El Paso County the existing Falcon and Ellicott Fire Protection Districts are examples of this alternative. Several advantages accrue to the county by having a fire protection district:

a. Assure continued and enhanced fire suppression services to the Peyton area and the unincorporated portions of eastern El Paso County;

b. Reduce fire loss by improved fire code application and enforcement;

c. Eliminate the competition by the fire department for limited El Paso County resources;

d. Aggressively seek to reduce fire insurance rates for property owners in the Peyton area and eastern El Paso County;

e. Establish a publicly elected board of directors to manage and coordinate its affairs with the City of Colorado Springs, El Paso County and other local, state and federal agencies.

6. Statutory Authority:

Pursuant to the provisions of 32-1-103 (7) and 32-1-1002, C.R.S. 1973, a fire protection district has the authority:

a. To provide protection against fire by any available means; and

b. To supply ambulance, emergency medical and rescue (including extrication, diving and grappling) services.

A fire protection district must provide fire suppression services and may provide other enumerated services.

After formation the district is governed by a five person board of directors, elected by the voters of the district. The board of directors has the authority to, among other things:

a. Levy ad valorem taxes.

b. Borrow money, incur indebtedness, issue bonds as authorized.

c. Acquire, dispose of, and encumber fire stations and equipment.

d. Enter into contracts and agreements.

e. Hire employees and consultants.

f. Create a firemen's pension fund.

g. Adopt and enforce fire codes after approved by applicable general purpose governments.

7. Master Plan:

The proposed district appears to be generally consistent with the Pikes Peak Regional Land Use Plan - 1990. A stated goal of that plan is "to provide adequate, efficient and economical utilities and public services to all areas within the Pikes Peak Region". A policy of the plan is to "insure an adequate, well-distributed and coordinated system of public safety facilities including ... fire ... facilities".

SECTION B - DEVELOPMENT ANALYSIS

1. The District is being organized to provide fire protection and emergency medical and rescue services. Fire protection services provided by the existing Peyton Volunteer Fire Department will be continued and enhanced to meet the current and future needs of the area. The District may acquire and operate extrication, emergency medical and rescue equipment. The District will adopt and enforce the uniform fire code as provided by law. The District will establish a firemen's pension fund.

2. The District will work closely with the City of Colorado Springs, El Paso County, the El Paso County Search and Rescue Service and other appropriate organizations. The District may contract with existing and future fire departments, municipalities, and fire protection districts for such other services as are mutually beneficial and desirable. Details of these contracts will be negotiated upon formation of the District. The District will consider consolidation with other fire entities when it is determined to be in the best interest of its taxpayers. The Peyton Fire Department presently consists of an authorized strength of eighteen (18) volunteers. The District will expand the current training program of one hundred and forty four (144) hours per annum. Expansion of the training program will address specific needs created by new construction, acquisition of new equipment, or provision of new services. The current fire protection vehicles and equipment owned by the

Peyton Volunteer Fire Department include:

TABLE II

<u>Item</u>	<u>Estimated Value</u>
Medical Van (1981 Chevy)	\$5,000.00
Brush Truck (1964 Ford)	750.00
Tanker Truck (1952 Chevy)	2,000.00
Pumper Truck (1952 Chevy)	4,000.00
Building	20,000.00
Land	8,000.00
Fire Fighting Equipment	5,000.00
Radio Equipment	3,000.00
Medical Equipment	5,000.00

The equipment will be transferred, leased or made available to the District upon formation.

3. The District plans to acquire the existing 1340 square foot fire building now utilized by the Department. The District plans to acquire the following vehicles and equipment and construct a new building with the timing of such purchases and construction to be dependent upon growth and development within the District:

TABLE III

<u>Item</u>	<u>Estimated Value</u>
Building	\$75,000.00
Tanker Truck	20,000.00
Brush Truck	40,000.00
Radios	8,000.00
Bunker Gear	20,000.00
Well	10,000.00
Underground Gas Storage	10,000.00
Operating cost first year	15,000.00
	<hr/>
TOTAL:	\$198,000.00

4. Estimate of Population:

The exact population of the district is not known. The proposed boundaries of the Peyton Fire Protection District are within census tract 39.01 which as of January of 1984 contained 2,652 people. Based on this census information as well as other information obtained from the school districts and the Pikes Peak Area Council of Governments, it is estimated that there are approximately 2,000 persons and 625 households within the proposed district. Population is anticipated to increase at a rate of approximately five percent (5%) per year. ✓

5. Estimate of Assessed Value:

The El Paso County Assessors records indicate the assessed valuation within the boundaries of the District to be \$8,065,000.00 for tax collection year 1988 based upon 1985 "cost manuals". All valuations and mill levies utilized in this service plan are based on the 1985 base year. The first year in which the District will actually receive property tax revenues will be 1989. The assessed valuation has been projected to increase five percent (5%) annually during the projection period. This estimated increase in assessed valuation represents less than a one-half of one percent capture of the El Paso County market. Projected property tax revenue collections have been projected to be ninety-seven percent (97%) of taxes levied to allow for delinquent tax collections and the County Treasurer collection fees.

TABLE IV
 PROJECTED ASSESSED VALUATION AND PROPERTY TAX REVENUES
 FOR THE YEARS ENDING DECEMBER 31, 1988 THROUGH 2007
 (THOUSANDS OF DOLLARS)

	<u>Assessed Valuation</u>	<u>Mill Levy</u>	<u>Property Tax Revenues @ 97%**</u>
1988	8,065	0	0
1989	8,468	4.0	33
1990	8,892	3.5	30
1991	9,336	3.5	32
1992	9,803	3.5	33
1993	10,293	3.5	35
1994	10,808	3.5	37
1995	11,348	3.0	33
1996	11,916	3.0	35
1997	12,511	3.0	36
1998	13,137	3.0	38
1999	13,794	3.0	40
2000	14,484	3.0	42
2001	15,208	2.5	37
2002	15,968	2.5	39
2003	16,767	2.5	41
2004	17,605	2.5	43
2005	18,485	2.5	45
2006	19,409	2.0	38
2007	20,380	1.5	30
Total			697

* 1985 Base Levels

** Assume the first year that property taxes can legally be collected is 1989.

SECTION C - FINANCIAL PLAN ANALYSIS

1. Operating, Maintenance and Administrative Expenditures:

Allowances for administrating and operating the district have been estimated to range from \$15,000.00 in 1988 to \$27,000.00 for the year 2007.

TABLE V
 PROJECTED OPERATING, MAINTENANCE AND ADMINISTRATIVE EXPENDITURES
 FOR THE YEARS ENDING DECEMBER 31, 1988 THROUGH 2007
 (THOUSANDS OF DOLLARS)

<u>Expenditure Category</u>	<u>Operating and Maintenance</u>	<u>Capital Outlay/ Admin/Contingency</u>	<u>Total</u>
1988	10	5	15
1989	10	5	15
1990	11	5	16
1991	11	5	16
1992	11	6	17
1993	11	6	17
1994	12	6	18
1995	12	6	18
1996	13	6	19
1997	13	7	20
1998	13	7	20
1999	14	7	21
2000	14	7	21
2001	15	7	22
2002	15	8	23
2003	16	8	24
2004	16	8	24
2005	17	8	25
2006	17	9	26
2007	18	9	27
TOTAL:	269	135	404

2. Projected Debt Service Requirements:

The District intends to issue general obligation bonds in the amount of \$135,000.00 in 1988. These bonds will be used as follows:

TABLE VI

Building Improvements	\$30,000.00
Acquire Tanker Truck	20,000.00
Acquire Brush Truck	40,000.00
Fund 1988 O&M Expenses	15,000.00
Costs of Bond Issue	16,500.00
Approximately 13 months capitalized interest	13,500.00
TOTAL:	\$135,000.00

The costs of the bond issue include all legal and other services required for district formation and a three percent (3%) underwriters discount. A ten percent (10%) interest rate has been used for these calculations. The projected debt service requirements are set forth in Table VII.

TABLE VII
PROJECTED DEBT SERVICE REQUIREMENTS
FOR THE YEARS ENDING DECEMBER 31, 1988 THROUGH 2007

Bond Issue	Beginning Principal (000)	Interest @ 10%	Principal Payment	Ending Principal	Total Annual Debt Service (000)
1988	135	14	0	135	14
1989	135	14	0	135	14
1990	135	14	0	135	14
1991	135	14	5	130	19
1992	130	13	5	125	18
1993	125	13	5	120	18
1994	120	12	5	115	17
1995	115	12	5	110	17
1996	110	11	5	105	16
1997	105	11	5	100	16
1998	100	10	5	95	15
1999	95	10	10	85	20
2000	85	9	10	75	19
2001	75	8	10	65	18
2002	65	7	10	55	17
2003	55	6	10	45	16
2004	45	5	15	30	20
2005	30	3	15	15	18
2006	15	2	15	0	17
2007	0	0	0	0	0
TOTAL:	0	188	135	0	323

3. Projected Sources and Uses of Funds:

The projected sources and uses of funds as set forth in Table VIII indicate that based on the previous assumptions, the proposed special district is capable of providing economical

service to the area within its proposed boundaries and that the district will have the financial ability to discharge the proposed indebtedness on a reasonable basis.

TABLE VIII
 PROJECTED SOURCES AND USES OF FUNDS
 FOR THE YEARS ENDING DECEMBER 31, 1988 THROUGH 2007
 (THOUSANDS OF DOLLARS)

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
<u>SOURCES OF FUNDS</u>										
Property Taxes	0	33	30	32	33	35	37	33	35	36
S.O. Taxes (4% of Prop. Taxes	0	1	1	1	1	1	1	1	1	1
Bond Issue	135	0	0	0	0	0	0	0	0	0
TOTAL SOURCES OF FUNDS	135	34	31	33	34	36	38	34	36	37
<u>USES OF FUNDS</u>										
Oper., Mtce., Admin.	15	15	16	16	17	17	18	18	19	20
Capital Imps. & Costs of Issuance	106	0	0	0	0	0	0	0	0	0
Debt Service	14	14	14	19	18	18	17	17	16	16
TOTAL USES OF FUNDS	135	29	30	35	35	35	35	35	35	36
<u>EXCESS SOURCES OVER USES</u>	0	5	1	-2	-1	1	3	-1	1	1
<u>BEGINNING FUNDS AVAILABLE 1/1</u>	0	0	5	6	4	3	4	7	6	7
<u>ENDING FUNDS AVAILABLE 12/31</u>	0	5	6	4	3	4	7	6	7	8
<u>ASSESSED VALU- ATION (000)</u>	8065	8468	8892	9336	9803	10293	10808	11348	11916	12511
<u>MILL LEVY</u>	0.0	4.0	3.5	3.5	3.5	3.5	3.5	3.0	3.0	3.0

TABLE VIII con't.

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>TOTAL</u>
<u>SOURCES OF FUNDS</u>											
Property Taxes	38	40	42	37	39	41	43	45	38	30	697
S.O. Taxes (4% of Prop. Taxes	2	2	2	1	2	2	2	2	2	1	27
Bond Issue	0	0	0	0	0	0	0	0	0	0	135
TOTAL SOURCES OF FUNDS	40	42	44	38	41	43	45	47	40	31	859
<u>USES OF FUNDS</u>											
Oper., Mtce., Admin.	20	21	21	22	23	24	24	25	26	27	404
Capital Imps. & Costs of Issuance	0	0	0	0	0	0	0	0	0	0	106
bt Service	15	20	19	18	17	16	20	18	17	0	323
TOTAL USES OF FUNDS	35	41	40	40	40	40	44	43	43	27	833
<u>EXCESS SOURCES OVER USES</u>	5	1	4	-2	1	3	1	4	-3	4	26
<u>BEGINNING FUNDS AVAILABLE 1/1</u>	8	13	14	18	16	17	20	21	25	22	
<u>ENDING FUNDS AVAILABLE 12/31</u>	13	14	18	16	17	20	21	25	22	26	
<u>ASSESSED VALU- ATION (000)</u>	13137	13794	14484	15208	15968	16767	17605	18485	19409	20380	
<u>MILL LEVY</u>	3.0	3.0	3.0	2.5	2.5	2.5	2.5	2.5	2.0	1.5	

SECTION D - INFRASTRUCTURE ANALYSIS

A list of the equipment, land and buildings presently owned by the Peyton Volunteer Fire Department is contained in Table II at Page 6. A list of the equipment, land and buildings which the District plans to acquire depending upon the growth and development within the District is contained in Table III at Page 6. A list of the equipment which the District intends to purchase with its 1988 bond issue is contained in Table VI at Page 9. The equipment to be purchased by the proposed district is compatible with the standards of the three adjoining fire protection districts.

SECTION E - INTERGOVERNMENTAL AGREEMENTS

The District intends to continue the mutual aid agreements presently in place between the Peyton Volunteer Fire Department and the three adjoining fire protection districts. Other than these mutual aid agreements, there are no intergovernmental agreements presently contemplated.

SECTION F - MISCELLANEOUS

1. The finding that the proposed district is in compliance with the long range water quality management plan for the area appears to be inapplicable except to the extent that better fire protection for wastewater treatment plants would be available upon creation of the district.

2. The proposed district has no anticipated needs and/or plans to exercise the power of eminent domain or dominant eminent domain

within or without the district's proposed boundaries.

EXHIBIT A

PEYTON FIRE PROTECTION DISTRICT SERVICE PLAN

The property to be included in the proposed Peyton Fire Protection District consists of all territory within the boundary line described as follows (All townships [T]) are South of the 40 degree Base Line and all Ranges [R] are West of the 6th Principal:

1. Beginning at the Northeast corner of Section 13, Township 11 South, Range 63 West;
2. Thence South a distance of approximately eleven miles to the Southeast corner of Section 1, Township 13 South, Range 63 West;
3. Thence East a distance of approximately five miles to the Southwest corner of Section 5, Township 13 South; Range 63 West;
4. Thence North a distance of approximately one mile to the Northwest corner of Section 5, Township 13 South, Range 63 West;
5. Thence West a distance of approximately four miles to the Southwest corner of Section 34, Township 12 South, Range 64 West;
6. Thence North a distance of approximately six miles to the Northwest corner of Section 3, Township 12 South, Range 64 West;
7. Thence Easterly along the northerly line of said Section 3, Township 12 South, Range 64 West to the easterly right-of-way line of Elbert Road;
8. Thence Northerly along the Easterly right-of-way line of Elbert Road a distance of approximately 4 miles to a point on the northerly line of Section 15, approximately thirty feet east of the Northwest corner of said Section 15, Township 11 South, Range 64 West;
9. Thence Easterly along the Northerly line of Sections 15, 14 and 13, Township 11 South, Range 64 West, and the Northerly line of Sections 18, 17, 16, 15, 14 and 13, Township 11 South, Range 63 West, a distance of approximately 9 miles to the Point of Beginning.

EXHIBIT B

PEYTON FIRE PROTECTION DISTRICT SERVICE PLAN

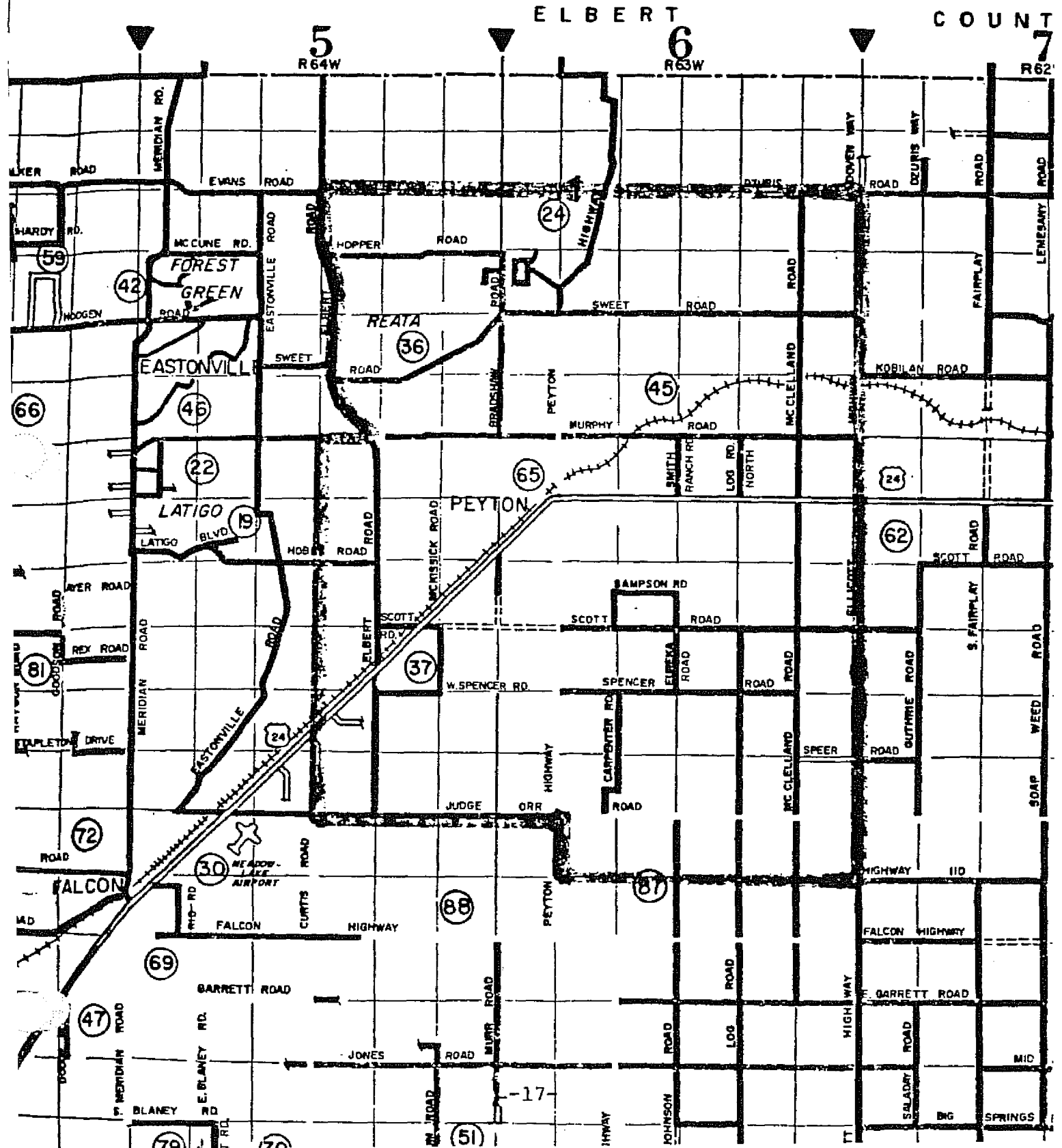


EXHIBIT C

PEYTON FIRE PROTECTION DISTRICT SERVICE PLAN

Peyton may lose fire help

Lack of insurance may kill department

By Barry Noreen
Gazette Telegraph

Emergency medical assistance provided by the Peyton Volunteer Fire Department may disappear by Sept. 20 because of inability to pay off a debt for liability insurance.

Merrill Weeks, the department's fire chief, said a local bank gave the volunteers a 30-day reprieve by paying a \$1,440 annual liability insurance bill, but the debt to the

**"You know,
everybody out here is
working their tail off,
but I will not ask my
firemen to run without
liability insurance."**

**— Merrill Weeks,
fire chief**

bank is due Sept. 20. Donations are trickling in, but at the current rate, Weeks said, the department will not have any choice other than closure, because a payment on the department's aging pumper truck also is coming due in September.

"You know, everybody out here is working their tail off," Weeks said, "but I will not ask my firemen to run without liability insurance."

Peyton, about 20 miles northeast of Colorado Springs, is in the center of the volunteer department's 100-square-mile service area. Weeks said the department, staffed with 20 volunteers, responds to about one call a week and "most of it's medical."

El Paso County helps defray some of the department's expenses by paying for gasoline when there are grass fires, Weeks said, and in some cases, the Peyton volunteers drive to grass fires outside their normal area, near the county's eastern boundary.

"Give us 30 days and we're going to be in grass-fire season," he said.

According to Theoda Huish, one of the department's volunteers, "we have about \$320, something like that, in the treasury."

Mrs. Huish said the insurance premium "was double what we expected." In addition to that expense, she cited the payment on the pumper truck and repairs on a tanker truck as factors creating the current financial burden.

Even in good times, Mrs. Huish said asking for donations "is an ongoing thing. We don't have any way of getting money for people."

One way out of the dilemma would be the creation of a fire protection district, funded by the collection of a property tax mill levy. "We're going to try to become a fire district," Weeks said. "You can't run on donations, because people just won't donate."

Mrs. Huish said it would cost about \$10,000 to \$15,000 in legal bills to form the district. "The mill levy would put about \$25 a year on a household," she said. "That's what we've been asking for in donations."

"It's come down to it that if you're not a fire district, you're out of luck," Weeks said. "I guess it's going to come down to the garden hose. That's all that's left."

Not quite. Gary Manfrin of the Black Forest Fire District said residents in the Peyton area could expect help from Black Forest and other fire districts "if they have a major disaster, yes. For medical calls, they'd either get a city ambulance or the Flight for Life."

EXHIBIT D

Feb 24, 1988

Dear Mr. Anderson:

The following is a list of runs for the Peyton Volunteer Fire Dept. for 1986 and 1987 that you requested.

1986

FIRE RUNS	20	
MEDICAL RUNS	39	(includes 6 traffic accidents)
MISCELLANEOUS	<u>7</u>	(false alarms, cancelled calls)
TOTAL	66	

1987

FIRE RUNS	16	
MEDICAL CALLS	29	(includes 7 traffic accidents)
MISCELLANEOUS	<u>4</u>	(false alarms, cancelled calls, 1 plane landing)
TOTAL	49	