SERVICE PLAN (2026)

DEER MOUNTAIN FIRE PROTECTION DISTRICT

6181 Copper Gulch Road, Cotopaxi, CO 81223

Telephone (719) 942-9610

Board Adoption Date: May 20, 2026

I. INTRODUCTION AND AUTHORITY

The Deer Mountain Fire Protection District ("DMFPD" or "District") is a duly organized Colorado Special District serving a rural, mountainous area within Cotopaxi, Colorado located within Fremont County. The District provides emergency response coverage across a geographically expansive wildland-urban interface (WUI) characterized by limited access, challenging terrain leading to extended response times, and a mix of full-time and seasonal residents. Since its formation in 1985, the District has been responsible for protecting the health, safety, and welfare of its residents and property within its boundaries.

DMFPD provides fire suppression, fire prevention and public education, rescue and extrication, hazardous materials response, and emergency medical services (EMS), including ambulance transport. Emergency medical services were added to the District in 2013, approved by the Board of County Commissioners. In recent years, EMS incidents have become most of the District's call volume, reflecting increased demand for medical response in a rural setting where alternative ambulance services are limited or delayed. The District currently delivers these services through a combination of volunteer and paid personnel operating from multiple stations with two stations servicing fire only, and EMS responding from Station One.

The DMFPD Board of Directors ("Board") has carefully evaluated the District's current service delivery model, operational demands, and financial sustainability. Based on this evaluation, the Board has determined that the continued provision of integrated fire and emergency medical services under a locally controlled system is essential to maintaining acceptable response times and service levels. Accordingly, the District finds that the health, safety, and welfare of its residents will be best served by updating this Service Plan in accordance with the Colorado Special District Act, C.R.S. § 32-1-101, et seq., to formally establish fire protection and EMS as core, ongoing functions of the District.

II. PURPOSE

The purpose of this Service Plan is to:

1. Define the nature, scope, and level of services to be provided
2. Establish statutory authority for fire and EMS operations
3. Ensure continued protection of public health, safety, and welfare
4. Provide a financial and operational framework for guaranteed services
5. Demonstrate compliance with all applicable provisions of Title 32, C.R.S.

III. DISTRICT DESCRIPTION

The Deer Mountain Fire Protection District serves 236 square miles of rural and mountainous area within Fremont County, Colorado, including the community of Cotopaxi, Deer Mountain, and surrounding regions. The District's service area is geographically expansive and sparsely populated, characterized by limited road access, steep and winding terrain, extreme weather conditions, high altitude, extended response distances, and significant wildland-urban interface conditions.

The District provides emergency response services to a mixed population of 1,752 full-time residents, 438 seasonal or part-time residents, and visitors, many of whom reside in remote locations with limited access to immediate emergency resources. The District's service responsibilities include primary emergency response and mutual aid coverage along U.S. Highway 50 and State Highway 69, both of which experience frequent commercial and recreational traffic and associated accident-related incidents requiring rapid, multi-agency response. Deer Mountain Fire Protection District also covers mutual aid calls to Custer County, Chaffee County, and surrounding Fremont County.

In addition, the District provides primary emergency coverage for critical community infrastructure, including the Cotopaxi School and associated facilities. These operational demands, combined with environmental risks such as wildfire exposure and extended emergency response times, necessitate a locally based, all-hazards emergency response system capable of delivering timely fire protection and emergency medical services to protect life and property within the District.

IV. POWERS

The District constitutes a "Fire Protection District" as defined in C.R.S. § 32-1-103(7) and shall have all powers granted to Colorado special districts under the Colorado Special District Act, C.R.S. § 32-1-101, et seq., including the general powers set forth in C.R.S. § 32-1-1001 and the additional powers granted to fire protection districts under C.R.S. § 32-1-1002.

Consistent with and in full exercise of such powers, and as necessary to meet the operational demands of a rural, high-risk service area, the District is authorized to provide fire protection and emergency medical services, including ambulance transport; acquire, construct, and operate facilities and equipment; enter into intergovernmental agreements; and levy taxes and impose fees as permitted by law.

The District is further authorized to perform all functions necessary and proper to protect the health, safety, and welfare of its residents and property, including those required to maintain effective emergency response along major transportation corridors, protect critical infrastructure, and respond to incidents in remote and difficult-to-access areas.

V. PROPOSED SERVICES

The District provides a comprehensive range of emergency services, including, but not limited to, fire suppression, fire prevention and public education, emergency rescue and extrication, hazardous materials response, and emergency medical services including ambulance transport.

The District actively operates as a first responder agency and responds to a wide range of incidents, including structure fires, wildland fires, medical emergencies, motor vehicle accidents, and other public safety incidents requiring immediate life-safety intervention. District personnel are dispatched through the county emergency communications system and respond directly to emergency scenes to provide fire suppression, emergency medical care, scene stabilization, and public safety support.

Due to the District's rural location, extended response distances, and the limited availability of third-party ambulance providers, the District directly provides EMS and ambulance services as an integrated and essential component of its operations. These services are critical to ensuring reliable and timely response to medical emergencies within the District, particularly in remote areas where delays in care can significantly impact outcomes.

All services are delivered through a combination of trained personnel, apparatus, and facilities designed to meet the operational demands of a geographically complex and high-risk environment, including response along major transportation corridors, protection of critical community infrastructure, and emergency response in WUI and remote residential areas.

VI. POPULATION

The Deer Mountain Fire Protection District 2026 Boundary Map is attached as Exhibit A. The population within the Deer Mountain Fire Protection District boundaries serves a diverse population of full-time and part-time residents, along with seasonal visitors according to Fremont County data.

Land use within the District is predominantly rural in nature, consisting of approximately 64.6% agricultural, wildland, and undeveloped properties, 35% residential properties, and 0.31% commercial properties. This distribution reflects a limited commercial tax base and a large, dispersed service area, which contributes to increased operational demands, extended response times, and reliance on property tax revenue to support essential fire protection and emergency medical services.

VII. FINANCIAL STRUCTURE

The Deer Mountain Fire Protection District 2026 Budget is attached as Exhibit B, the Financial Plan and Capital Plan is attached as Exhibit C. The Financial Plan includes the District's estimates for the current year's operational costs and projected revenues for the 2026 fiscal calendar year. The Capital Plan establishes a phased, fiscally responsible pathway to bring the fleet into alignment with current reliability, safety, and response readiness expectations.

REVENUE RELATED TO THE DISTRICT'S OPERATION

As demonstrated in the Financial Plan, the District anticipates total revenue of approximately $854,194.14 for fiscal year 2026. To meet its projected administrative, operational, fire protection, and EMS needs, the District has adopted a total expenditure budget of approximately $796,400. The District's revenue is derived through the funding sources outlined below.

The District's primary source of revenue is property tax. For fiscal year 2026, property tax revenue is projected to generate approximately $373,220.12, representing a portion of the District's total operating revenue.

Additional revenue sources include carryover funds in the amount of approximately $170,000, transfers from reserve accounts totaling approximately $204,274.02, medical income of approximately $45,000, wildland payroll income of approximately $60,000, and limited contributions and other miscellaneous income.

These combined funding sources support the District's fire protection and EMS operations, personnel, and capital needs. The District's current and past reliance on reserve transfers and supplemental revenue sources to fund ongoing operations reflects a structural funding imbalance and is not sustainable.

The District anticipates that, to achieve long-term financial sustainability and maintain reliable emergency service delivery, the operational cost, our true cost of service, will need to be derived from stable and recurring revenue sources, including property tax.

Subject to voter approval as required by Article X, Section 20 of the Colorado Constitution ("TABOR"), the District may pursue adjustments to its mill levy or other lawful funding mechanisms to align reoccurring revenue with the actual cost of providing fire protection and EMS services.

It is the District's long-term objective to reduce reliance on reserve transfers and variable revenue sources and to transition toward a required funding structure in which operational costs are supported by guaranteed, voter-approved reoccurring revenue streams.

FORMAL SUNSET POLICY STATEMENT

The District's 2026 budget includes a planned transfer of $204,000 from reserves to maintain operational continuity ($54,000) and for allocations of one-time expenditures ($150,000) outlined below. This action is explicitly intended as a temporary bridging strategy while the District advances toward either (a) sustainable revenue through a Mill Levy increase or (b) a corresponding reduction in service levels to align with available funding.

Separate from operational reserve use, the District has also allocated capital reserves for one-time expenditures, including $100,000 for a down payment and payments on a new fire apparatus and $50,000 for necessary repairs on Building A of Station One. These capital investments are consistent with long-term asset management and infrastructure needs and are distinct from operational funding requirements.

This reserve use is not intended to support ongoing operations beyond the near term and shall be governed by the following Sunset Provision:

- Reserve transfers for operational expenditures shall be limited to the 2026 fiscal year and shall not extend beyond December 31, 2026, unless expressly reauthorized by the Board following a public hearing and formal finding of necessity.
- The District shall not rely on reserve transfers for ongoing operations beyond this period without the identification and adoption of sustainable, recurring revenue sources.
- If a Mill Levy increase or other voter-approved funding mechanism is not secured by the end of fiscal year 2026, the District shall initiate progressive service level adjustments to align expenditures with available recurring revenue.
- Under no circumstance shall reserve use reduce fund balances below Board-adopted minimum reserve thresholds established to ensure emergency readiness and financial stability.

Continued reliance on reserves for operating expenditures without new revenue will result in the depletion of available fund balances and is not financially sustainable.

SERVICE DEGRADATION RISK

Absent the implementation of a guaranteed and reliable funding structure, the District's ability to maintain current levels of fire protection and emergency medical services will be adversely impacted. Continued reliance on reserve transfers and variable revenue sources to support ongoing operations is not sustainable and will, over time, result in the depletion of reserves, deferred capital replacement, and reduced operational capacity.

If adequate funding is not secured, the District will be required to reduce service levels including limitations on EMS availability, staffing, training, and response capability. Such reductions would likely result in increased response times, decreased reliability of emergency services, and diminished protection of life, property, and critical infrastructure within the District, particularly given the rural, geographically challenging nature of the service area.

EXPENSES RELATED TO THE DISTRICT'S ORGANIZATION AND OPERATION

The Deer Mountain Fire Protection District projects the following major expenses related to its organization and ongoing operations. The amounts described below are derived from the District's adopted 2026 budget, prior year expenditures, and operational experience.

PAID AND VOLUNTEER PERSONNEL

The District operates under a combination staffing model that includes approximately 20 volunteer firefighters, supported by a paid Fire Chief and Assistant Fire Chief. Both are certified Emergency Medical Technicians and actively provide operational coverage for fire suppression and emergency medical services. Due to limited command staffing, the District relies on a single on-call chief at any given time, who is often engaged in ambulance responses. This frequently requires volunteer personnel to manage simultaneous or secondary incidents without direct command presence. The leadership structure is further supported by additional personnel who assist with EMS response and administrative functions.

Personnel costs represent a significant portion of the District's operating expenses, with total payroll for fire and EMS services budgeted at approximately $247,000 for fiscal year 2026.

Personnel and EMS-related expenses represent the fastest-growing portion of the District's operating costs, driven by increased call volume, the majority of which are EMS-related, and the need to maintain reliable emergency response coverage across a rural and geographically complex service area.

ADMINISTRATIVE SERVICES

The District anticipates ongoing administrative costs necessary to support daily operations, including communications, insurance, professional services, compliance, and general administrative functions. For fiscal year 2026, administrative expenses are budgeted approximately at $160,000–$170,000 annually, including costs for insurance, legal and professional fees, communications systems, office operations, and training support. These services are essential to maintain regulatory compliance, operational coordination, and organizational management.

APPARATUS/VEHICLE MAINTENANCE AND REPLACEMENT

The District maintains a fleet of fire apparatus and EMS transport vehicles necessary to provide emergency services across its service area. The average age of the District's apparatus is approximately 34.5 years, which significantly exceeds typical industry replacement standards, including National Fire Protection Association (NFPA) guidance recommending a frontline service life of approximately 20 years, contributing to increasing maintenance costs, reduced reliability, and elevated operational risk.

The District has developed a preliminary apparatus replacement schedule identifying current units and future replacement priorities, including several frontline apparatus and support vehicles that date back to the late 1980s, 1990s, and early 2000s. Based on this inventory, multiple frontline units have exceeded recommended service life standards, placing a substantial portion of the fleet beyond typical lifecycle thresholds and increasing the risk of mechanical failure and service interruption.

Due to the age and condition of existing apparatus, the District continues to incur escalating maintenance and repair expenses to maintain service readiness. Although the District has budgeted funds for vehicle maintenance and limited capital replacement (including approximately $12,000 for EMS vehicles and additional allocations for fire apparatus), the District does not currently maintain a fully funded apparatus replacement program sufficient to meet lifecycle replacement needs.

As a result, the District faces a significant long-term operational and financial challenge, particularly with respect to the replacement of ambulances and frontline fire apparatus, both of which require substantial capital investment to ensure safe, reliable, and effective emergency response within a rural and geographically complex service area.

SUPPLIES AND SERVICES

The District anticipates ongoing expenditures for supplies and services necessary to maintain daily operations, including firefighting equipment, EMS medical supplies, training, fuel, utilities, and contracted services. These costs are distributed across multiple budget categories and are essential to maintaining operational readiness and responder safety in a high-risk, rural environment.

ASSET MANAGEMENT AND CAPITAL NEEDS

The District currently lacks a comprehensive, fully funded asset management plan for major equipment, including fire apparatus, ambulances, communications systems, and specialized response equipment. Existing capital expenditures and reserve accounts provide limited support for these needs; however, long-term replacement and lifecycle planning remain underfunded.

The District anticipates the need to develop and implement a formal asset management and capital improvement plan to ensure the reliability and sustainability of critical equipment and infrastructure.

ELECTIONS

Pursuant to state statute, the District is required to conduct regular Special District elections in May of odd-numbered years. The District anticipates election-related costs biennially, with such costs subject to increase over time. Election administration is conducted in accordance with applicable Colorado law and overseen by a Designated Election Official appointed by the Board of Directors.

REAL PROPERTY

Pursuant to C.R.S. § 32-1-1001 and § 32-1-1002, the Deer Mountain Fire Protection District shall have the power and authority to acquire, own, lease, and dispose of real property as the Board of Directors deems necessary and appropriate for the provision of fire protection, emergency medical services, and related emergency services. Such authority includes the acquisition of property for fire stations, training facilities, storage of apparatus and equipment, and other operational needs required to support emergency response within the District's service area.

The District currently operates from three stations strategically located throughout its service area to support emergency response coverage across a rural, geographically dispersed, and high-risk service area.

Station 1, the primary response hub, is staffed by up to 20 personnel and supports structural firefighting with one Type 1 structure engine, one 4000-gallon tender, Type 3 engine, and one rescue; wildland/urban interface response with one Type 1 engine, a Type 3 engine, and Type 6 engine; and EMS with two ambulances staffed by one EMT-I, one AEMT, and one EMT-B.

Station 2 houses one Type 1 structure engine, one 2200-gallon tender for structural and wildland response but is currently unstaffed and functions as a midpoint apparatus location supporting stations 1 and 3. Station 2 is currently leased from Fremont County with a 40-year lease commencing in 1989 and maturing in 2029. The leasing agreement was paid in advance at the cost of $1.00 per year.

Station 3 operates a single Type 3 engine for structural and wildland response and is staffed by one firefighter when available.

FACILITIES TO BE CONSTRUCTED

Pursuant to C.R.S. § 32-1-1001 and § 32-1-1002, the District shall have the power and authority to construct, improve, equip, and maintain facilities as necessary to support the delivery of emergency services. This includes, but is not limited to, fire stations, EMS facilities, apparatus bays, training areas, and supporting infrastructure.

All facilities constructed or maintained by the District shall comply with applicable federal, state, and local laws and regulations, including building, mechanical, electrical, and fire codes, as well as applicable standards adopted or enforced by Fremont County and other governing authorities.

VIII. GOVERNANCE

The Deer Mountain Fire Protection District shall be governed by a Board of Directors consisting of five members, each of whom shall be an eligible elector of the District and elected at large in accordance with the Colorado Special District Act, C.R.S. § 32-1-901, et seq. The Board shall be responsible for the overall governance of the District, including the establishment of policies, approval of budgets, financial oversight, and ensuring that the District operates in compliance with all applicable federal, state, and local laws.

The Board has the authority to hire, supervise, and evaluate the Fire Chief, who shall serve as the District's Executive Officer. The Fire Chief shall be responsible for the day-to-day administration and operation of the District, including supervision of personnel, management of emergency services delivery, implementation of Board policies, and coordination of training, response, and operational activities.

The Board shall adopt such rules, policies, and procedures as it deems necessary for the efficient administration and operation of the District. The Fire Chief shall establish and maintain Standard Operating Guidelines (SOGs) consistent with policies adopted by the Board to ensure effective and safe delivery of fire protection and emergency medical services.

All actions of the Board shall be conducted in accordance with applicable laws governing transparency and public governance, including the Colorado Open Meetings Law, C.R.S. § 24-6-401, et seq., and the Colorado Open Records Act, C.R.S. § 24-72-201, et seq.

IX. COMPLIANCE

The Deer Mountain Fire Protection District shall operate in full compliance with all applicable federal, state, and local laws, regulations, and requirements governing special districts in the State of Colorado.

All actions of the District's Board of Directors shall be conducted in accordance with laws governing transparency and public governance, including, but not limited to, the Colorado Open Meetings Law, C.R.S. § 24-6-401, et seq., and the Colorado Open Records Act ("CORA"), C.R.S. § 24-72-201, et seq.

The District shall comply with all applicable provisions of the Colorado Special District Act, including transparency and reporting requirements set forth in C.R.S. § 32-1-809, as well as all applicable conflict of interest, ethics, and fiduciary duty statutes, including C.R.S. § 24-18-101, et seq.

In accordance with Article X, Section 20 of the Colorado Constitution ("TABOR"), the District shall obtain prior voter approval for any new tax, tax rate increase, or creation of multi-fiscal year debt or financial obligation, except as otherwise permitted by law. The District shall also maintain required emergency reserves and adhere to all fiscal limitations imposed by TABOR.

The District shall maintain accurate records, provide required notices, and ensure public access to information as required by law, and shall conduct its operations in a manner that promotes transparency, accountability, and public trust.

X. CONCLUSION

The Deer Mountain Fire Protection District provides essential emergency services to a rural and geographically complex area within Fremont County, Colorado, characterized by dispersed population, limited access, extended response times, and significant wildland-urban interface risk. The District serves a community of full-time residents, seasonal residents, and visitors, as well as critical transportation corridors and community infrastructure, all of which contribute to increasing demand for reliable and timely emergency response.

The Board of Directors has determined that the continued operation of the District as an integrated provider of fire protection and emergency medical services, including ambulance transport, is the most effective and advantageous method of delivering sustainable, high-quality, and cost-effective emergency services to the District's residents and property. This Service Plan reflects the District's commitment to maintaining essential life-safety services while addressing increasing operational demands, aging infrastructure, and long-term financial sustainability.

The District will continue to maintain a cooperative and collaborative working relationship with the Fremont County Board of County Commissioners and other regional partners. The District is committed to transparency, accountability, and responsible fiscal management, and will seek to align its revenue structure with the actual cost of providing essential emergency services in accordance with applicable law.

Through implementation of this Service Plan, the District will maintain and enhance its ability to protect life, property, and critical infrastructure, while ensuring that emergency services remain reliable, responsive, and sustainable for the community it serves.

ADOPTION AND RESOLUTION

This Service Plan has been prepared on behalf of the Deer Mountain Fire Protection District and approved by the District's Board of Directors. Pursuant to Resolution No. 20260520-06, the Board of Directors has formally approved and adopted the updated Service Plan and authorized its submission to the Fremont County Board of County Commissioners. The Resolution shall become effective immediately upon adoption.

5-20-26

Marcus Widener III, Fire Chief — Date

5/20/26

Dondrae (Miriam) Andolini, Chairman of the Board — Date

JR Niblitt — 5-26-2026

JR Niblitt, Vice Chairman of the Board — Date

Nancy Mickelson — 5/20/26

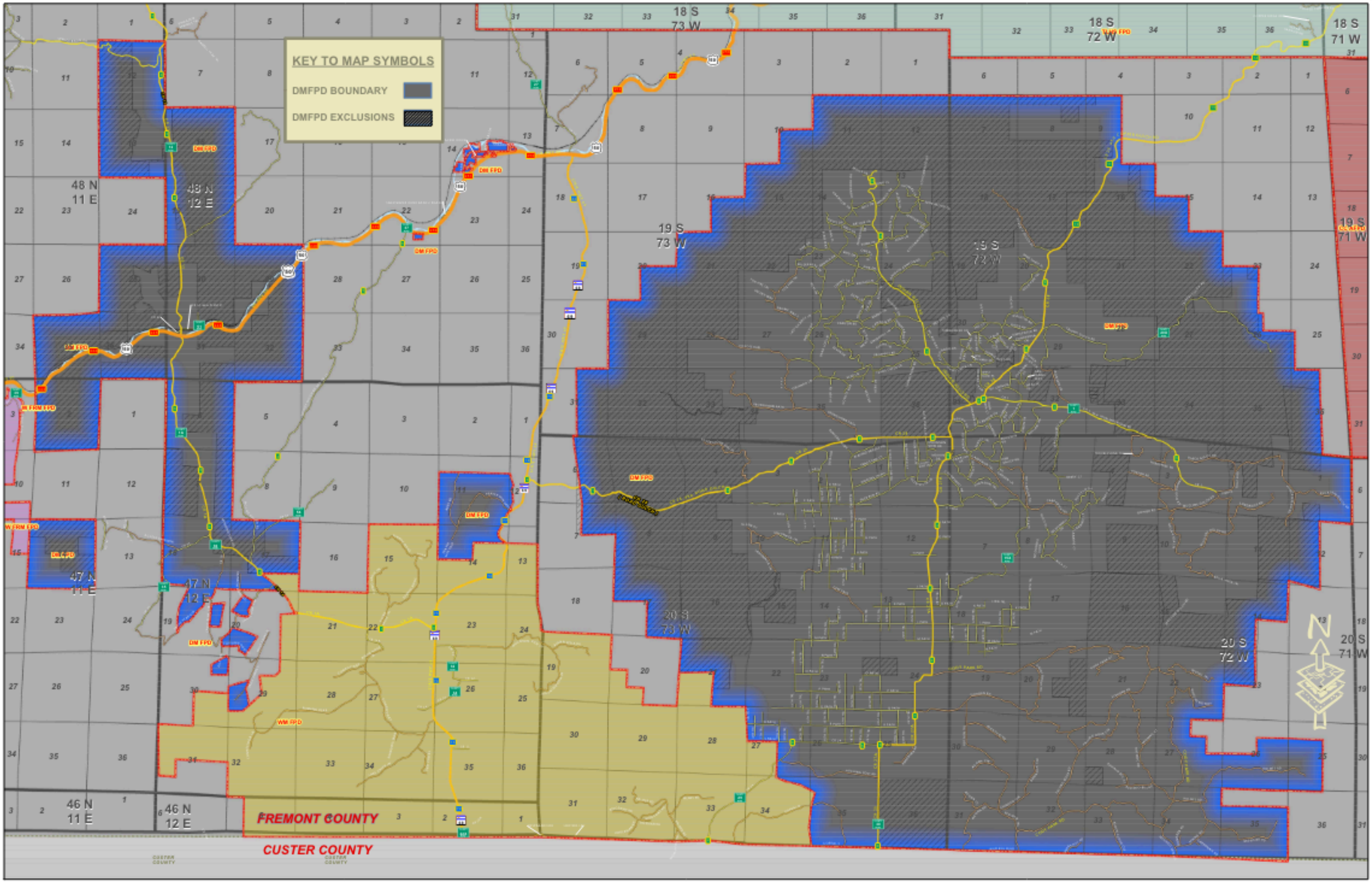
Nancy Mickelson, Treasurer of the Board — Date

Laurie J. McKay — 5/20/26

Laurie McKay, Assistant Treasurer of the Board — Date

F Nichols — 5/20/26

Forrest Nichols, Communications of the Board — Date



This rendering of the area included in the Deer Mountain Fire Protection District is hereby certified to be current and accurate.

Signed ____________________

Name ____________________

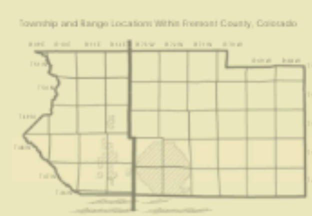
Title ____________________

Date ____________________

Deer Mountain Fire Protection District
6181 Copper Gulch Road (CR 28)
Cotopaxi, Colorado 81223

SUPPORTING DOCUMENT REC #'s:

ESTABLISHED	EXCLUSIONS	INCLUSIONS	INCLUSIONS	INCLUSIONS
1985 522615. 526089	2008 To W Fremont FPD 854669 209 Cedar Canyon Ranch 869013	1988 Coaldale 547483 Cotopaxi 550223 1990 DMFPD Doc Public to Pvt Lands 1990-11-07 Correction 1990-12-05 2000 Eagle Peak Ranch 745548	2001 Eagle Peak Ranch 745542, 745547 Cody Park 745543, 745544, 745545, 745546 2007 Cody Park 846757 2013 Indian Springs 912029	2015 Poindexter 929234 2016 Reserve at Texas Creek 946290 2019 Golden Acre Homesites 975848



Deer Mountain Fire Protection District

Sheet 1 of 2

0 0.5 1 2 3 Miles

LGID: 22021

Map Date: Dec 4, 2019

EXHIBIT B – 2026 BUDGET

Deer Mountain Fire Protection District 2026 Budget				
Approved 12-11-2025 N. Mickelson,Treasurer				
Income				**2026**
	Carryover			$170,000.00
	Contribution Income			$1,700.00
	Gain on Sale of Asset			
	Grants			
	Interest			
	Medical Income			$45,000.00
	Misc. Income			
	Response Income in District			
	Tax Income			$373,220.12
	Transfers from Reserve Accounts			$204,274.02
	Wildland Deployment Income			
	Wildland Payroll Income			$60,000.00
Total Income				**$854,194.14**
Expenses				
	Administrative			
		Communications		$13,000.00
		Dues & Subscriptions		$4,500.00
		Employee Expenses		$5,000.00
		Insurance		$31,000.00
		Office Equipment		$1,000.00
		Office Supplies		$3,000.00
		Professional Fees		$95,000.00
		Telephone & Internet		$7,600.00
		Training / Conferences		$5,000.00
	Building Operations & Maintenance			
		Building Loan		$25,800.00
		Grounds Maintenance		$3,200.00
		Janitorial Supplies		$2,000.00
		Repairs & Maintenance		$5,000.00
		Station Equipment		$3,500.00
		Trash		$1,800.00
		Utilities		$15,000.00
	Capital Expenses			
		Buildings		$50,000.00
		EMS		

EXHIBIT C – FINACIAL PLAN

The estimated annual cost of operations for the Deer Mountain Fire Protection District is currently budgeted at $796,400 for the 2026 fiscal year. This figure includes a one-time capital outlay of $150,000 detailed below and the 2026 operational cost approximated at $646,400. This accounts for the total financial requirement to maintain emergency medical services, fire suppression, wildland deployment capabilities, and administrative compliance across three stations and maintaining 11 apparatuses.

I. RECURRING REVENUE

Recurring revenue provides the stable foundation for the cost of providing the district's core services.

- **Property Tax Revenue:** This is the District's primary and most stable revenue source. It is considered a guaranteed and reoccurring revenue stream suitable to cover recurring operational costs.
- **Specific Ownership Tax (SOT):** Collected through vehicle registrations, this revenue is consistent but economically sensitive.
- **Ambulance Billing (Medical Income):** Net volume of this stream is variable and dependent on call volume and transport rates.
- **Contractual/Intergovernmental Recurring Revenue:** The District occasionally realizes response income.

REVENUE STRUCTURE 2026

Guaranteed / Recurring Revenue (Sustainable Base)

- Property Tax Revenue: $373,220
- Medical Revenue (net collection): $45,000

Total Recurring Revenue: $418,220

II. ONE-TIME REVENUE

One-time revenue cannot be relied upon in future budgeted years and should be only used for one-time expenditures and not on-going expenditures.

- **Asset Sales:** One-time gains realized from asset sales. Cannot be replicated annually to fund operational costs.
- **Capital Reserve Revenue:** Specific revenue source dedicated for acquisition, repair, or rehabilitation of assets that last for 15 years or more. A project can be considered a capital improvement project if it is for nonrecurring expenses in excess to $10,000.
- **Grants:** Specific revenue source dedicated for specific projects. Cannot be replicated annually to fund operations.
- **State and National Fire Payments (Wildland Deployment):** One-time gains realized from a highly variable income source and dependent on external conditions fire seasons. Cannot be replicated annually to fund operational costs.

One-Time / Non-Recurring Revenue

- Account Carryover from 2025: $170,000
- Reserve Transfer (planned): $204,274
- Wildland Deployment Net: $60,000
- Contributions: $1,700

Total One-Time Revenue: $435,2974
Total Available Revenue (2026): $854,194

III. RECURRING EXPENDITURE

The estimated annual cost of operations for the Deer Mountain Fire Protection District is currently budgeted at $646,400.

- **Administrative Costs:** Includes professional fees, accounting, and office supplies. Professional fees are budgeted at $95,000 in 2026, reflecting increased amount for a full audit and $30,000 budgeted for the legal requirements for a possible ballot measure for funding.
- **Facility and Apparatus Maintenance:** Includes utilities ($15,000 in 2026), vehicle repairs/maintenance ($28,000 in 2026), and fuel ($15,000 in 2026).
- **Indebtedness Obligations:** The Deer Mountain Fire Protection District maintains two primary long-term debt obligations, both structured as finance lease-purchase agreements with Community First National Bank.
- **Insurance:** Budgeted at $31,000 for 2026, this is a mandatory recurring cost that has increased with the District's asset base.
- **Payroll and Staffing:** Total payroll including EMS, Fire Management (Incident Command), and Wildland is budgeted for $307,000 in 2026. This reflects an increase in paid staffing levels to maintain response capabilities for the third largest call-volume in the county and for national wildland deployments.

EXPENSE STRUCTURE 2026

Operational Costs (True Cost of Service)

Administrative + Fixed

- Professional Fees: $95,000
- Insurance: $31,000
- Communications / IT / Admin: $39,100
-

Facilities + Debt

- Building Loan: $25,800
- Utilities + Maintenance: $30,500

Operational Costs, Continued

Personnel (Core Service Delivery)

- EMS / Fire Payroll: $157,000
- EMS Payroll: $90,000
- Wildland Payroll (offset but still operational): $60,000

Operations (Fire + EMS)

- EMS Ops (supplies, billing, vehicles): $29,200
- Fire Ops (fuel, vehicles, equipment, training): $71,300

IV. INDEBTEDNESS

The Deer Mountain Fire Protection District maintains two primary long-term debt obligations, both structured as finance lease-purchase agreements with Community First National Bank. At the close of fiscal year 2025, the District's Total Outstanding Principal was $137,511.36 representing a reduction of $45,375 from the previous year.

Obligation	Purpose	2025 Balance* *year-end balance	Interest Rate	Expected Payoff
Building Lease	Station One/Facility Purchase	$125,494.46	3.45%*	May 2031
2019 Weis Truck	Quick Attack Fire Apparatus	$12,016.90	4.14%	July 2026
Total		**$137,511.36**		

The Deer Mountain Fire Protection District has purchased a **Freightliner M2 4X4, BX3 Wildland Truck**, with a Principal Balance of $607,045.00, with the interest rate of 5.294% and expected payoff of January 2, 2041. DMFPD will make one payment per calendar year commencing on January 2, 2027, ending January 2, 2041. Please note, there is a possible one interest rate adjustment at mid-term after seventh payment in 2033.

V. ONE-TIME OR CAPITAL EXPENDITURES

The District categorizes major equipment, and infrastructure needs as one-time capital expenditures.

- Facility Repairs: $50,000 in necessary repairs for Building A at Station One in 2026, also funded through dedicated capital reserves.
- New Fire Apparatus: The 2026 budget allocates $100,000 for a down payment and ongoing payments for a new apparatus 3. This is funded via dedicated capital reserves.

One-Time / Capital Expenditures

- Fire Capital (apparatus down payment and associated cost): $100,000
- Building Capital Improvements: $50,000

Total Operational Cost: $646,400
Total Capital Outlay: $150,000
Total Expenses (2026): $796,400

VI. CAPITAL PLAN

The Deer Mountain Fire Protection District maintains an aging apparatus fleet with an average service life exceeding modern replacement standard, creating increasing operational risk and maintenance burden. This apparatus plan establishes a phased, fiscally responsible pathway to bring the fleet into alignment with current reliability, safety, and response readiness expectations.

Year	Asset to Replace	Estimated Cost	Replacement Asset
2026-2027*	T451-1989 Navistar 2200 gal. Tender	$350,000-$500,000 *AFG Grant	*2200 gal. Tender
2026-2027*	E412-Pavement Queen Type 1 Structure	N/A	*2200 gal. Tender (same truck as above)
2028-2029	T452-1988 Kenworth 4000 gal. Tanker	$500,000 - $750,000 *Look for grant funding	4000 gal. Tender
2030-2031	E411-2001 Freightliner Type 1 Structure	$750,000 - $800,000 *Inflated Cost	Type 1 / Type 3 BME
2030-2031	481 – 2015 Ambulance	$425,000-$500,000 *Inflated Cost	Ambulance
2031-2032*	R471-1999 Freightliner FL80	$350,000-$500,000 *Inflated Cost	F550-650 Light Rescue
2031-2032*	S401-2017 Ram 2500 Pickup	$100,000-$150,000 *Inflated Cost	Ram F250 Pickup
2032-2033	482 – 2017 Ambulance	$425,000-$500,000 *Inflated Cost	Ambulance
2033-2034	E461-2012 Ram 5500 Type 6	$750,000 - $800,000 *Inflated *Look for grant funding	Type 1 / Type 3 BME
2034-2035	E431-2014 Ram 5500 Type 3	$750,000 - $800,000 *Inflated Cost *Look for grant funding	Type 1 / Type 3 BME
2039-2040*	E432-2019 F550 Type 3	TBD	Type 1 / Type 3 BME

EXHIBIT NOTES

The District is currently working to structurally balance the budget of the operational cost to run the cores services provided by Deer Mountain Fire Protection District without the usage of critical reserve funds.

- Station One Supplement to Agreement Payment Schedule for will adjust the new rate to 5.84% from the original rate of 3.45% starting June 1, 2026.*
- Core Service Sustainability: The District is working to make EMS and fire operations financially sustainable. The District has previously relied on unpredictable income and finite reserve balances to fund essential community services.
- Operational Deficit: There is a gap between recurring operating revenues and recurring operating costs.
- Reserve Dependency: The District is currently subsidizing recurring operational costs using its unrestricted emergency reserves.
- Temporary Measures: The Board has explicitly labeled the use of $54,000 in reserves as a temporary bridging strategy while the District advances toward either (a) sustainable revenue through a Mill Levy increase or (b) a corresponding reduction in service levels to align with available funding.

CAPITAL PLAN NOTES

*See notes below for specific years.

- Please note, if DMFPD does not secure the AFG grant, then we will need to use the sale of both 451 and 412 for a down payment for a new tender. (2027-2028)
- DMFPD will look at the two scheduled apparatuses and determine which is replaced first based on the apparatuses condition. (2031-2032)
- DMFPD will replace this apparatus with wildland funds for deployment. (2039-2040)

		Fire		$100,000.00
	EMS			
		Billing		$5,000.00
		Professional Expenses		$1,200.00
		Supplies		$10,000.00
		Training & Education		$2,000.00
		Vehicles		$12,000.00
	Fire			
		Equipment		$15,000.00
		Fire Prevention & Education		$300.00
		Rescue		$2,000.00
		Supplies		$6,000.00
		Training & Education		$5,000.00
		Truck Loan		$15,000.00
		Vehicles		$28,000.00
	Fuel			$15,000.00
	Payroll			
		EMS / Fire		$157,000.00
		Fire		
		EMS		$90,000.00
	Wildland			
		Administrative		$1,500.00
		Payroll		$60,000.00
		State Fire		
Total Expenses				**$796,400.00**
Income (Loss)				**$57,794.14**
Assets				
	Bank of the San Juans			
		Capital Improvements		$175,000.00
		Emergency Reserves		$225,000.00
		Engine		$7,655.78
		Tabor Reserve		$25,000.00
Total Reserves				**$432,655.78**

EXHIBIT E – INTERGOVERNMENTAL AGREEMENTS

MUTUAL AID AGENCY DIRECTORY

The following agencies are recognized mutual aid partners for emergency response coordination and interagency support. Primary points of contact are identified by title and name only. Detailed contact information is maintained separately for operational use.

PARTICIPATING AGENCIES

1. **City of Salida Fire Department**
   Chief: Aaron Jonke
2. **South Arkansas Fire Protection District**
   Chief: Aaron Jonke
3. **Howard Volunteer Fire Department**
   Chief: Dan Ogden
4. **Wetmore Fire Department**
   Chief: Clayton Masar
5. **Southwestern Highway 115 Fire Protection District**
   Chief: Hart Wright
6. **Cañon City Area Fire Protection District**
   Chief: Shane Roberts
7. **Florence Fire Protection District**
   Chief: Bill Ritter
8. **Western Fremont Fire Protection District**
   Chief: John Walker
9. **Wet Mountain Fire Protection District**
   Chief: Jeremiah Coleman
10. **Tallahassee Fire Protection District**
    Chief: Mark Norris

EXHIBIT NOTES

- Detailed contact information (phone numbers, email addresses, and dispatch protocols) shall be maintained internally and updated regularly by the District.
- This exhibit is intended for identification of participating agencies only and does not serve as an emergency contact sheet.
- Agency participation is subject to existing mutual aid agreements, automatic aid agreements, and applicable Colorado statutes.
- This directory shall be reviewed and updated at least annually or upon changes in agency leadership.

DEER MOUNTAIN FIRE PROTECTION DISTRICT
6181 COUNTY RD 28, COTOPAXI, CO 81223

RESOLUTION 20260520-06

Resolution of the Board of Directors of the Deer Mountain Fire Protection District Approving and Adopting an Updated Service Plan and Authorizing Submission to the Fremont County Board of County Commissioners

WHEREAS, the Deer Mountain Fire Protection District ("District") is a duly organized and existing special district organized pursuant to Article 1 of Title 32, Colorado Revised Statutes; and

WHEREAS, the District currently provides fire protection, fire prevention, rescue, emergency medical response, and related emergency services to residents, property owners, and visitors within the District boundaries located in Fremont County, Colorado; and

WHEREAS, the Board of Directors ("Board") has determined that an updated Service Plan is necessary to accurately reflect the District's current operations, statutory powers, organizational structure, emergency medical transport services, financial structure, capital needs, and long-term service obligations; and

WHEREAS, the Board further finds that the updated Service Plan promotes transparency, long-range planning, fiscal accountability, and coordination with the Fremont County Board of County Commissioners; and

WHEREAS, the proposed Service Plan has been reviewed by the Board and is intended to supersede and replace prior organizational and operational descriptions previously associated with the District; and

WHEREAS, the Board finds that adoption of the updated Service Plan is in the best interests of the District and the citizens and property owners served by the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DEER MOUNTAIN FIRE PROTECTION DISTRICT AS FOLLOWS:

Section 1. Approval of Service Plan.

The Board hereby approves and adopts the updated Service Plan for the Deer Mountain Fire Protection District, attached hereto and incorporated herein by this reference.

Section 2. Authorization for Submission.

The Board hereby authorizes and directs the District's officers to submit the adopted Service Plan and all supporting materials to the Fremont County Board of County Commissioners for review and approval in accordance with applicable provisions of Colorado law.

Section 3. Purpose and Intent.

The adopted Service Plan is intended to:

1. Clarify and formally establish the longstanding services provided by the District, including fire service, emergency medical services, and ambulance transport;
2. Establish the District's operational, financial, and governance framework;
3. Support long-term sustainability of emergency services within the District;
4. Provide transparency and accountability regarding District operations and financial planning; and

5. Ensure continued protection of life, property, and public safety within the District.

Section 4. Compliance with Law.

The Board affirms that all actions related to the adoption of this Resolution and the Service Plan shall be conducted in accordance with applicable Colorado law, including but not limited to:

- Title 32, Colorado Revised Statutes;
- The Colorado Open Meetings Law, C.R.S. § 24-6-401, et seq.;
- The Colorado Open Records Act, C.R.S. § 24-72-201, et seq.; and
- Applicable TABOR requirements under Article X, Section 20 of the Colorado Constitution.

Section 5. Effective Date.

This Resolution shall take effect immediately upon adoption.

ADOPTED AND APPROVED this 20 day of May, 2026, by the Board of Directors of the Deer Mountain Fire Protection District.

Deer Mountain Fire Protection District

By: ______________________________
Dondrae (Miriam) Andolini, Chairman
Board of Directors

ATTEST: Anita Gregg, Recording Secretary to the Board

CERTIFICATION

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Deer Mountain Fire Protection District at a regular meeting held on the 20 day of May, 2026.

By: Anita Gregg
Anita Gregg
Recording Secretary to the Board