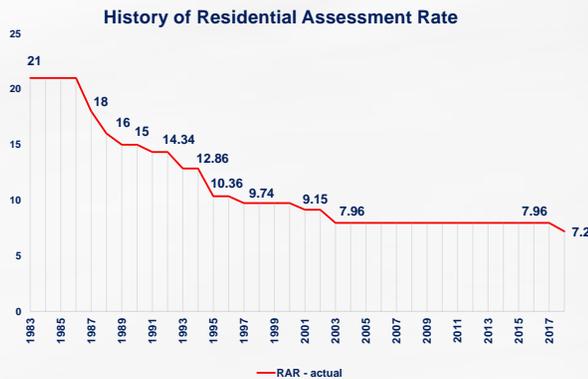




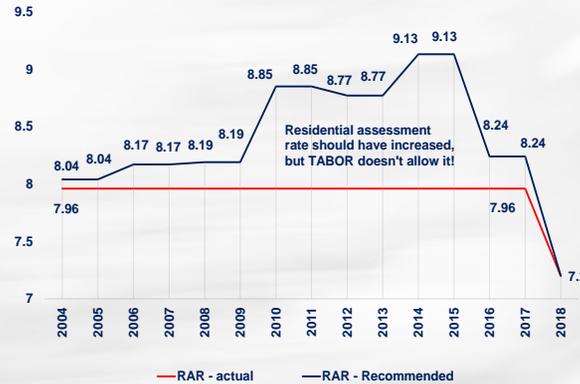
## What is the residential assessment rate and how does it impact taxes?

A property owner is not taxed on the total appraised value of his or her property. Since becoming law in 1982, the Gallagher Amendment has required non-residential property (i.e., commercial, industrial, agricultural, vacant land, etc.) to be taxed at 29% of its actual appraised value. In 1982, residential property was taxed at 21% of its actual appraised value, which is commonly referred to as the residential assessment rate. However, the Gallagher Amendment requires the Colorado Legislature to adjust the residential assessment rate in every odd year to ensure residential property owners pay no more than 45% of the total property tax burden in the State.

Due to the steady increase in residential property values in the State, from 1982 to 2003, the residential assessment rate dropped from 21% to 7.96%, where it stayed until 2017. Then, in 2017 the Colorado Legislature further reduced the residential assessment rate to 7.2%.



History of Residential Assessment Rate Actual & Recommended



Even a small change in the residential assessment rate can have a significant impact on the tax revenue the District receives.

For example, in 2016 a home with an actual value of \$300,000 had an assessed value of \$23,880 ( $\$300,000 \times 7.96\% = \$23,880$ ) and paid taxes of \$287.95 to the District. However, because the residential assessment rate dropped from 7.96% to 7.2% in 2017, the very next year that same \$300,000 home had an assessed value of \$21,600 ( $\$300,000 \times 7.2\% = \$21,600$ ) and paid taxes of \$260.45 to the District. While the loss of \$27.49 in tax revenue on this one house is small, over 38% of the District's total assessed valuation comes from residential property, so it lost \$220,000 in residential property tax.



### Contact Us:

Summer Campos  
 scampos@fffd.us  
 303.833.2742



## Maintaining and Enhancing Your Current Service Level

## Frederick-Firestone Fire District

Duty - Honor - Compassion



## What is our Mission for you?

- To provide the highest level of life and property protection to all residents and visitors in your District
- Every resident of the District to be within 5 miles of a fire station
- 5.5 minute response time to 80% of emergency calls
- Maintain your ISO-2 rating
- Community Risk Reduction

## Who does the District serve?

The District serves all residents within the Towns of Frederick and Firestone as well as unincorporated areas surrounding both Towns. In 2000, the population of the District was 4,500. Today the population of the District is over 30,000. The District responds to approximately 2,500 fire and medical calls per year.

## What services does the District provide?

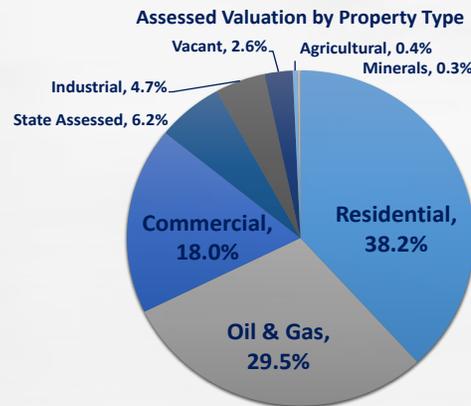
- Fire Protection/Property Conservation
- Traffic Accident Response/Medical Service
- Advanced Life Support Ambulance Service
- Public education in the schools
- All Hazard Special Recue
- Hazardous Materials Emergency Response
- Fire & Life Safety Business Inspections
- Car Seat Safety Checks & Installations
- Wildland Fire and Urban Interface
- Community CPR and First Aid Courses
- Emergency Management for large-scale incidents, including the 2013 flood

## What challenges are facing the District?

- Under staffed – 9 firefighter/paramedics needed now
- 3 Fire Stations to be built in the next 10 years to maintain adequate response times to all residents and businesses of the District
- Aging apparatus fleet to replace including a 1988 Tender and a 1992 Fire Engine
- Recruiting and retaining seasoned emergency responders requires competitive pay and benefits
- Further reductions in the residential assessment rate will reduce District revenues
- As the Towns of Frederick and Firestone grow, so does the Fire District and its responsibility in emergency service demands.

## What is the composition of property tax payers in the District?

Residential property accounts for the largest portion of property tax revenues to the District, approximately 38%.



## What happens if nothing is done?

Potential effects of revenue loss:

- Increased response times to your emergency calls due to increased service demands
- Essential firefighting, emergency medical services and rescue tasks will not be maintained to execute proper care
- ISO ratings for the District may increase and cause homeowners and business owners property insurance rates to increase
- The District will be challenged to compete with neighboring districts to recruit and retain proper staffing

## Solutions being considered?

Potential election in November 2018 to:

- Increase mill levy to fund the hiring of firefighters and paramedics and capital needs, such as future fire stations and apparatus. The District's mill levy has been unchanged since 2006.
- Authorize the District to stabilize revenue with an increased mill levy to keep property tax revenues it will lose if Gallagher Amendment forces further reductions in the residential assessment rate. In the future, if the Gallagher Amendment requires the residential assessment rate to be increased, the District would be required to reduce its property tax.

Visit us online: [www.fffd.us](http://www.fffd.us)