

**FREDERICK-FIRESTONE FIRE DISTRICT**



# CAPITAL

## IMPROVEMENT PLAN 2025-2037



**Frederick-Firestone Fire Protection District**  
**Infrastructure Asset Capital Improvement Plan**  
**2025-2037**

**Overview**

The Capital Improvement Plan (CIP) is a planning & budgeting tool used to coordinate the identification, timing, and financing of District facilities, apparatus, and equipment. The District uses the CIP to develop a realistic agenda for fire department infrastructure asset acquisition within the projected capacity to finance such assets. Noting that this is not entirely true, at the presentation level, the CIP process involves an assumption that there will not be significant changes in the revenue source structure. The CIP includes priority ranking, schedules for the timing of planned acquisitions and associated costs, and projected financing sources.

This document is a 12-year CIP plan. The 12-year period would be more extended than the norm for most local governments. Most local government CIPs are like two (2) to six (6) year plans. The District prefers a relatively extended glimpse into the future, understanding that the longer period introduces more uncertainty. Additionally, the CIP is reviewed and updated annually to incorporate variations in priorities, community requirements, and funding concerns (or lack thereof). Capital planning must work in conjunction with the annual budget process. Readers can focus on the near term two (2), five (5), or six (6) years in the case that the 12 years is considered excessive.

The District's CIP relates heavily to "fire department infrastructure assets." Fire department infrastructure assets include facilities (fire stations, administrative buildings, training facilities), apparatus (engines, aerials, tenders, rescue engines, brush trucks), and ambulances. While attention is given to lesser capital assets (equipment, staff vehicles, etc.), the focus is on the fire department infrastructure assets. The costs of these assets dwarf most other classes of expenditure except personnel.



Developing a CIP aids in affording clarity to both short and long-term capital asset acquisition strategies. Arguably, one of the most critical aspects is identifying the funding sources. The District currently only has one (1) primary revenue source: property tax. Unfortunately, the district's property tax revenues have displayed significant instability lately due to expected volatility in oil and gas assessed values and unexpected volatility in legislative action. Some fire districts have had relatively meaningful success with being awarded grants. To date, this has not been the case for FFFD.

The District has strived for many years to diversify its revenue sources. Significant progress has been made regarding *impact fees*. Furthermore, due to recent legislation, special districts, including fire districts, have been allowed to seek approval for *sales taxes* from their constituencies for the first time beginning in 2025. The District is optimistic about this potential revenue source. Sales tax revenue would likely be considered a *significant* source of revenue in addition to property taxes. The impact fee revenue may one day become a substantial source of revenue. The impact fee revenue program is in its infancy and may grow to significant import.

The District strives to utilize a budgeting (equity) approach rather than a debt approach for capital asset acquisition. With a budgeting approach, revenues are gradually segregated over time into cash reserves to be utilized in the future for specified capital assets or classes of capital assets. Sometimes, debt will likely be unavoidable unless a department is blessed with multiple diverse revenue sources.

### **Arrangement of the CIP**

The District's CIP is organized into four (4) sections.

***I. Frederick-Firestone Fire District Services and Department Infrastructure Asset Stock (Inventory):***

This section outlines the District's operations and the existing itemization of fire stations, administrative buildings, apparatus, ambulances, and significant equipment and staff vehicles.

***II. Projected infrastructure capital asset requirements: This section identifies service standards and examines the capital assets required to accomplish them.***

***III. Infrastructure Assets:*** This section lists infrastructure assets required to eliminate existing or projected deficiencies, create sufficient facilities for the future, and repair/replace antiquated infrastructure assets.

***IV. Sources of Financing:*** This section identifies funding sources for necessary capital assets.



**I. District Operations (Services)**

Per the District’s 2021 – 2026 Strategic Plan, a brief definition of the District is proffered.

*“The Frederick-Firestone Fire Protection District is a quasi-municipal corporation and political subdivision of the State of Colorado...The District is located in Southwest Weld County, Colorado, and provides all-hazards emergency services to the Town of Frederick, the Town of Firestone, and portions of unincorporated Weld County.”*

*“Today, the District’s jurisdiction consists of 36 square miles with a population of approximately 35,000 and is served by 66 full-time personnel.”*

It needs to be noted that both the square mileage and full-time personnel have increased since the writing of the District’s Strategic Plan in 2020. Currently, the District's area encompasses approximately 38 square miles, includes a population of over 40,000, and employs 91 full-time personnel. The Strategic Plan goes on to delineate the District’s services.

*“[FFFD]...provides advanced life support (ALS) emergency medical transport services, fire suppression, wildland fire services, fire prevention, fire and life safety code enforcement, public fire and medical education, fire investigation, technical rescue, swift water and ice rescue, hazardous materials mitigation, and community risk-reduction within its boundaries.”*

**List of Facilities & Buildings**

**Table 1: Fire Station & Buildings List**

<u>Station</u>	<u>Location</u>	<u>Sq. Feet</u>	<u># of Bays</u>	<u>Acres</u>
Station 1	31 Walnut Dr, Frederick, CO	7,200	5 Bay	0.71
Station 2	3991 Rowe St, Longmont, CO	8,668	4 Bay	1.79
Station 3	6800 Tilbury Ave, Longmont, CO	8,306	4 Bay	1.03
Station 4	10706 WCR 7, Frederick, CO	12,578	5 Bay	3.15
Station 5	3725 Glacier Way, Erie, CO	14,960	6 Bay	2.15
District Admin.	8426 Kosmerl Place, Frederick, CO	11,814	1 Bay	1.07

**List of Apparatus & Ambulances**

**Table 2: Apparatus & Ambulance List**

<u>Station</u>	<u>Ambulance</u>	<u>Engine/ Pumper</u>	<u>Tender</u>	<u>Aerial</u>	<u>Brush Truck</u>
Station 1	1	1	1		1
Station 2					
Station 3	1	1			1
Station 4		1			
Station 5	1			2	1



**II. Projected Capital Infrastructure Requirements**

Local governments utilize numerous methodologies to measure the level or quantity/quality of service provided. Upon selecting a “unit” of measurement and its quantification, given current conditions, the service requirements (needs) of the service area can be forecast by extrapolation. The forecast or projection would be based upon several factors, but one of the most important is growth. On the front range of Colorado, growth has been the single most challenging issue facing most fire departments, with inflation coming in a close second.

This Capital Improvement Plan analyzes the need for apparatus and fire stations to achieve the District’s service standards. The ultimate articulation of infrastructure needs is not the result of a formulaic algorithm but rather the interpretation of many variables relating to the District’s situational reality. Many variables need deliberation when undertaking such analysis.



*Future Station 6*

These variables include, but are not limited to, the following:

- Type of incidents: emergency medical service or fire or “other”
- Types of properties found within the service area
- Transportation infrastructure (highways, streets & roads)
- Water supply systems
- Communications
- Unique & special hazards
- Topography
- Climatic & weather conditions

- Population growth
- Urban density
- Emergency call workload and growth patterns
- Response times
  - Distance of fire stations to internal & perimeter areas of the District
  - Times from receipt of an emergency call to dispatch (Call received to units assigned)
  - *Turn out times* (Unit assigned to en-route)
  - *Travel time* (En-route to the first unit on the scene)
  - *Total Response Time* (Unit assigned to the first unit on the scene)

Arguably, the most consequential measure of service for most fire departments is Total Response Time. The critical importance of the time it takes a department to respond to provide fire suppression/rescue/medical transport services at the scene of an emergency is self-evident. Response time can mean the difference between life and death or minor or significant property damage.



Another significant unit of measurement for fire departments is what is known as ISO Rating. ISO stands for **I**nsurance **S**ervices **O**ffice, which rates a community's ability to manage fire and minimize property damage. At the risk of oversimplification, the ISO rates an area/neighborhood/community on a scale of 1-10, where one is the best and 10 is the worst (indicating no fire protection). The significant aspect is that many insurance companies base their home insurance rates upon ISO ratings, among other items.

The ISO also rates fire departments' ability to respond and suppress a fire. The fire department rating is based on a 100-point scale, with 100 being the best. A score of 105.5 is possible due to factors relating to a subject department's Community Risk Reduction efforts. Note that the ISO rating depends on several factors, most of which relate, at least to a degree, to response time. The salient point relative to ISO Ratings is that "good" ratings for the area/neighborhood/community and the local fire department can substantially lower homeowners' insurance premiums. In this regard, a well-functioning fire department can reduce the insurance costs of the constituency within its boundaries.

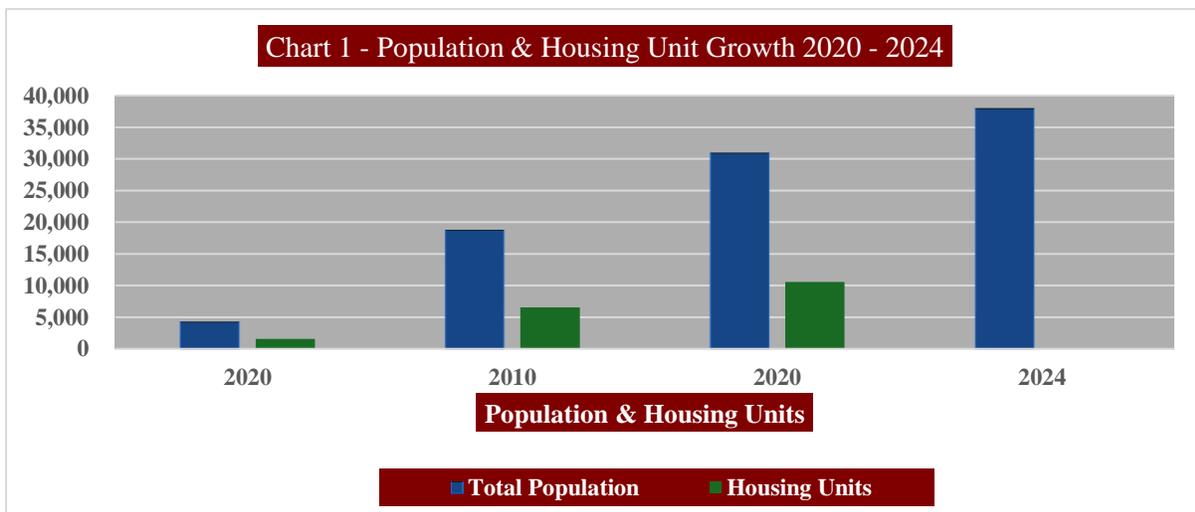
Note with emphasis that there are other factors related to determining fire department infrastructure asset needs, but for FFFD, most relate directly or indirectly to population growth. The unbridled growth experienced by the District over the last twenty-five (25) years has been a spectacle to behold.

*Population growth* is the District’s most challenging issue. The population within the District’s boundaries has grown significantly, as shown in Table 3 below.

**Table 3: Population & Housing Unit Growth - 2000 - 2024**

	Housing		Housing		Housing		Population
	Population	Units	Population	Units	Population	Units	
	2000	2000	2010	2010	2020	2020	
	Census	Census	Census	Census	Census	Census	2024 Town Website
Frederick	2,467	896	8,679	3,070	14,513	4,944	18,660
Firestone	1,908	664	10,147	3,499	16,381	5,614	19,231
<b>TOTAL</b>	<b>4,375</b>	<b>1,560</b>	<b>18,819</b>	<b>6,569</b>	<b>30,894</b>	<b>10,558</b>	<b>37,891</b>

Table three demonstrates the significant growth the District has experienced. It should be mentioned that the District has portions of land within its boundaries in unincorporated Weld County. Quantifying the population or population growth in these “County” portions is difficult. It is not outside the realm of probability that the total population within the District’s boundaries is pushing or possibly exceeding 40,000 people when this County portion is included. Chart 1 below displays the population and housing growth data graphically in a bar chart. Note that for 2024, there was no dependable census or other data for Housing Units. Table 4 below shows the percentage increases in tabular form.



**Table 4: Percentage Increase - Population & Housing**

<u>Year</u>	<u>% Increase Population</u>	<u>% Increase in Housing Units</u>
2010	330.31%	321.09%
2020	64.10%	60.72%
2024	22.65%	No Data

Table 4 presents the percentage increase in population and housing units, first between 2000 and 2010, then from 2010 to 2020, and finally from 2020 to 2024. Data for the 2024 housing unit numbers was not available in a verifiable form; thus, the “No Data” entry was entered in the 2024 “% Increase Housing Units” cell. One last point of interest is that the percentage increase in population from 2000 to 2024 is an astounding 766.08%.

Projected growth: The Town of Frederick predicts its population will be 18,604 by 2035 (Demographic Summary—Page 19—Comprehensive Plan I Town of Frederick I Community Profile). That is interesting since the Town’s website shows that the population currently (2024) is 18,666, already above the projections for 2035. The Town of Firestone had nothing that could easily be found on its website with recent predictions.

The Colorado State Demography Office (SDO) projects that “... *the Front Range of Colorado is expected to see significant population growth between 2025 and 2030, with a majority of this growth attributed to the aging population, meaning a large increase in residents over the age of 65; the overall state population is projected to increase by around 10% during this period, with over 50% of that growth coming from the older demographic.*” This passage is in the SDO Crosstabs Page – State Demography Office (<https://demography.dola.colorado.gov/assets/html/crosstabs.html>).

Given the general lack of specificity relative to population growth projections for the two towns comprising the majority of the District’s service area, substituting “best guess” numbers is the available alternative. Utilizing the 10% figure supplied by the SDO, the population within the District’s service area could plausibly be in the neighborhood of:

$$40,000 \times 10\% = 4,000 + 40,000 = \mathbf{44,000}$$

If the historical estimated growth numbers provide insight into these current projected growth numbers, the rough estimate of 44,000 developed above will likely be underestimated. Projecting District population numbers of 50,000 or more by 2030 would likely be well within probability.

Population growth increases the number of emergency and non-emergency calls and other demands to which the District must act in response. Growth also increases the District’s workload on fire prevention, fire and life safety code enforcement, public fire and medical education, fire investigation, technical rescue, swift water and ice rescue, hazardous materials mitigation, and community risk reduction. Likely, the most significant impact of all involves the medical transport aspects undertaken by the District. A worthy note is the mention in the excerpt from the Colorado State Demography Office that much of the population growth will consist of

residents over the age of 65. Assuming this is correct, the burden on the district's medical transportation system will be significantly more significant than would be the case with a younger population growth demographic.

The overarching objective is to relate the district's increased demands to a formulation for calculating the need for infrastructure assets. Quantitative measures that indicate the need for fire stations, apparatus, and ambulances include response times, existing deficiencies of response times, emergency call growth (workload), fire station coverage (growth areas reachable within response time standards), and the apparatus and ambulances required to equip needed new stations.

Quantitative measures utilized by the District are well laid out and explained in the District's *Community Risk Assessment – Standards of Cover 2024* (CRA-SOC) developed by Summer Campos, Public Relations Director with FFFD. Beginning on page 55 of this document in *Section 5 –*



*Deployment and Performance* is an excellent treatment of the District's quantitative (and qualitative) measures.

In the *CRA-SOC*, PR Director Campos writes:

### **Section 5 – Deployment and Performance**

*Frederick-Firestone Fire District gathers and reviews response data to establish realistic performance measures and evaluate current response performance and deployment. The district utilizes its RMS system to pull the data and fire-specific tools to assess performance measurement and compare standards for evaluation. Information collected by the Insurance Services Office (ISO), the National Fire Protection Association (NFPA), and the Center for Public Safety Excellence (CPSE) are the primary sources of information and data used to measure fire service efficiency and effectiveness. These tools allow for self-monitoring of response times and associated risk mitigation.*

*Response data is expressed as benchmarks and baselines. Benchmarks are high standards or expectations that help guide emergency response and plan future efforts. Baselines identify where response capabilities currently reside and show where improvements can be made.*

**Performance Standards**

FFFD has set its current response standards at the following for the first arriving unit:

- PSAP to Dispatch Time: 01.30
- Turnout Time: 01.30
- Travel Time: 04.30
- Total Response Time: 07.30

The general times monitored for total time performance are:

- PSAP to Dispatch (Call received to units assigned): 90 seconds, 90% of the time.
- Turnout Time (Unit assigned to en-route): 90 seconds, 90% of the time.
- Travel Time (En-route to the first unit on the stage): 4 minutes, 30 seconds, 90% of the time.
- Total Response Time (Unit assigned to the first unit on the stage): 7 minutes, 30 seconds, 90% of the time.

With the expectation of 07:30 for total response time, officers must justify within the FFFD call log why the benchmark was not achieved. Valid justification includes road conditions (weather or construction), response and access to Interstate 25, multiple calls for service, primary unit at training or meeting, dispatch alert or address issue, mechanical issue, distance only with no outside factors, speed control devices or school zone, scene access issues or rural address. The on-duty Battalion Chief reviews all outliers to ensure all efforts were made to meet the response standard.

Response time compliance for in-district emergency response for 2021-2023 shows the average total response time was 07:59, 88% of the time. The table below [Figure 17] breaks down the response standards analyzed to the 90th percentile from January 1, 2021, to December 31, 2023.

<b>First Unit on Scene</b>	<b>2021 90<sup>th</sup> PCTL / % Met Goal</b>	<b>2022 90<sup>th</sup> PCTL / % Met Goal</b>	<b>2023 90<sup>th</sup> PCTL / % Met Goal</b>
<b>Turnout Time (1:30 @ 90%)</b>	01:47 / 83%	01:52 / 80%	01:44 / 83%
<b>Travel Time (04:30 @ 90%)</b>	06:27 / 67%	07:37 / 59%	06:35 / 79%
<b>Total Response Time (07:30 @ 90%)</b>	07:26 / 90%	08:26 / 83%	07:28 / 90%

Figure 17: In-District Emergency Response for 2021-2023.

These passages from the CRA-SOC sum up the thrust of the District’s predominant performance measurement. Figure 17, shown above from the CRA-SOC, takes a moment to

digest. A brief digression into the meaning of the Figure 17 numbers may aid the reader in understanding these numbers.

Using the first two statistics in row one (*Turnout Time (1:30 @ 90%)*) and the corresponding *2021 90<sup>th</sup> PCTL / % Met Goal*. The intersecting information in the matrix for these two axis titles is *01:47 / 83%*. What is the meaning of this intersecting information?

- The *01.47* statistic means that 90% of the Turn Out Times for 2021 were under 1 minute, 47 seconds.
- The *83%* statistic means that 83% of the Turn Out Times for 2021 were 1 minute, 30 seconds or less.
- Examining the *Travel Time* statistics for 2021:
- The *06.27* means that 90% of the Travel Times for 2021 were under 6 minutes, 27 seconds.
- The *67%* statistic means that 67% of the Travel Times for 2021 were 4 minutes, 30 seconds or less.
- Examining the *Total Response Time* statistics for 2021:
- The *07.26* means that 90% of the Total Response Times for 2021 were under 7 minutes, 26 seconds.
- The *90%* statistic means that 90% of the Total Response Times for 2021 were 7 minutes, 30 seconds or less.

These statistics show that the District is not meeting the *Turn Out Time* (90 seconds, 90% of the time) or *Travel Time* (4 minutes, 30 seconds, 90%) standards in any of the years. However, in 2021 – 2023, the District met the *Total Response Time* standard (7 minutes, 30 seconds, 90% of the time) in two of the three years. The District did not meet the Total Response Time standard in 2022.

The total time standard for the Turn Out Time combined with the Travel Time would be 6 minutes. The Total Response Time standard set at 7 minutes, 30 seconds appears to provide enough of a buffer (1 minute, 30 seconds) to allow the District to meet the Total Response Time standard – but just barely, again noting the Total Response Time standard was not met in 2022 (1/3<sup>rd</sup> of the years analyzed). The average Total Response Time for these three years (2021-2023) was 7:59, 88 % of the time, underperforming the standard of 7:30, 90%.

One inference that can be drawn from this analysis is that the District is on the margin regarding response times. Stated another way, the District is maxed out with its current infrastructure capital asset resources. As the population grows, the District is hard-pressed to maintain the standard response times. Before returning to this topic below, mentioning other performance measures utilized by the District is appropriate.

The District maintains other response time measures that relate to the concept of resource concentration. Stated in the *CRA--SOC* is the following relating to *resource concentration* and a concept known as *Effective Response Force* (ERF):

*Resource concentration refers to the sufficient number of resources, apparatus, and personnel strategically placed throughout the response area to effectively deal with an emergency based on its level of risk within a specified amount of time. This is referred to as the Effective Response Force (ERF), and it ensures that enough people and equipment arrive soon enough to safely control a fire or mitigate any emergency before there is substantial damage or injury. Concentration is measured primarily by the second-due units’ response to an emergency for response time.*

To summarize, the District has response time measures for the arrival of the first-due unit and an effective response force (ERF). The ERF's response times are set at 10 minutes and 30 seconds.

Another unit of measurement tracked and utilized by the District is the Unit Hour Utilization (UHU) concept. Stated in the CRA – -SOC is the following relating to *Response Reliability Factors* and the idea of UHU:

***Response Reliability Factors***

*The workload of emergency response units can be a factor in response time performance. Multiple or concurrent calls for service can affect the District’s ability to ensure it has sufficient resources to respond to additional emergencies. FFFD regularly analyzes the reliability of fire suppression and medic units to ensure they are not being overutilized, not only in-district but also out-of-district, for mutual or auto-aid incidents.*

*Unit hour utilization (UHU) describes when a unit is unavailable for response because it has already been committed to another incident. UHU rates are expressed as a percentage of the total hours in a year. The larger the number, the greater the utilization and the less available for subsequent calls for service. FFFD Executive Staff assesses these numbers to ensure that units and crews never reach a high number, which can lead to burnout.*

**2023 Unit Hour Utilization (UHU) for In-District, Emergent Calls**

<b>Unit</b>	<b>Total Time on Task (DD:HH: MM)</b>	<b>Unit Hour Utilization (UHU)</b>
3423	24:00:58	6.59%
3421	22:05:05	6.09%
3401	18:21:50	5.18%
3422	17:14:41	4.83%
3403	15:06:34	4.18%
3460	08:06:21	2.26%
3454	06:14:25	1.18%
3417	03:06:37	0.90%
3462	01:10:57	0.40%
3404	01:01:23	0.29%
3443	01:00:57	0.28%

*Medic Unit 3423 displays the highest utilization rate, with Medic Unit 3421 not far behind. Due to the high use of our medic units and to ensure they are not overutilized, another medic unit was identified as needed. In 2022, FFFD operations added a medic unit (3422) to its response matrix, which is cross staffed at Station 2, based on the increased requests for mutual aid and to cover concurrent calls. The above chart shows that the added medic unit (3422) has been consistently utilized.*

As demonstrated above in this excerpt from the CRA-SOC, the District utilizes a variety of measurement units for analyzing infrastructure capital assets. The reader is referred to the CRA-SOC for more in-depth information and discussion on these and other aspects of the district's demographics. With that background and the establishment that the District has a variety of efficiency/effectiveness measures, the discussion will return to response times. The District currently has four (4) staffed fire stations. Noting that Station 5, the District's newest flagship fire station, was officially opened on October 26, 2024. When all available fire stations are considered, the District essentially has five (5) fire stations as of the date of this writing. Staff and most operational aspects formerly serving out of Station 2 have been moved to Station 5. Station 2 is still capable of functioning as a staffed, operational station but currently houses the battalion chiefs and reserve apparatus, among other uses. It is planned that Station 2 will temporarily serve as a maintenance facility in the interim until the District's County Road 11 property is converted into a formal training and maintenance facility. The District's County Road 11 property will also one day host both the training and maintenance facility and a relocated Station 2 by 2032.

Each station described above is assigned to a *response zone*, an area of service within the District's boundaries near the fire station's location. These response zones are often referred to internally as *districts*, which has the potential to confuse external readers of this document. FFFD is technically a *Special District* and is most frequently called the "District." There is potential for confusion when referring to districts within a District, so the term zones is utilized instead to benefit external readers.

The response zones are established by specific criteria based on national standards. Regarding the response time deficiencies, fire stations 2 and 4 experience more significant deficiencies than others. These stations bring down the District's overall response time stats when taken collectively on a District-wide basis. The discussion on pages 8 and 9 above reflects stats on a District-wide basis. Table 5 below presents the data per fire station per year.

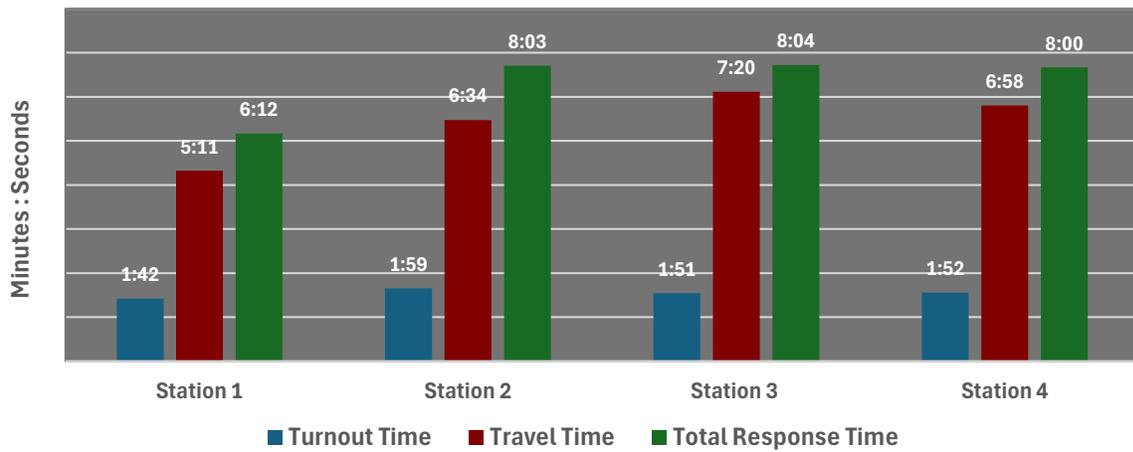
**Table 5 - First Unit on Scene (Minutes: Seconds / % or Below Standard)**

<b>2021</b>	<b>Station 1</b>	<b>Station 2</b>	<b>Station 3</b>	<b>Station 4</b>
<i>Turnout Time (1:30 @ 90%)</i>	1:42 / 83.6%	1:59 / 78%	1:51 / 82%	1:52 / 74.2%
<i>Travel Time (4:30 @ 90%)</i>	5:11 / 81.5%	6:34 / 45%	7:20 / 64.3%	6:58 / 58.1%
<i>Total Response Time (7:30 @ 90%)</i>	6:12 / 96.1%	8:03 / 85%	8:04 / 84.2%	8:00 / 81.7%
<b>2022</b>	<b>Station 1</b>	<b>Station 2</b>	<b>Station 3</b>	<b>Station 4</b>
<i>Turnout Time (1:30 @ 90%)</i>	1:43 / 82.4%	1:56 / 77.5%	1:58 / 80.5%	1:54 / 78%
<i>Travel Time (4:30 @ 90%)</i>	6:50 / 70.3%	7:12 / 25.4%	8:07 / 54%	7:10 / 51.6%
<i>Total Response Time (7:30 @ 90%)</i>	8:06 / 86.4%	8:34 / 74.7%	9:28 / 80.8%	8:11 / 82.8%
<b>2023</b>	<b>Station 1</b>	<b>Station 2</b>	<b>Station 3</b>	<b>Station 4</b>
<i>Turnout Time (1:30 @ 90%)</i>	1:43 / 83.7%	1:43 / 79.6%	1:42 / 84.8%	1:56 / 74.5%
<i>Travel Time (4:30 @ 90%)</i>	5:48 / 73%	6:45 / 49.1%	6:26 / 63.2%	6:58 / 53.5%
<i>Total Response Time (7:30 @ 90%)</i>	6:55 / 93.6%	7:59 / 85.2%	7:39 / 89.2%	8:17 / 84.5%
<b>Average - All Years</b>	<b>Station 1</b>	<b>Station 2</b>	<b>Station 3</b>	<b>Station 4</b>
<i>Turnout Time (1:30 @ 90%)</i>	1:43 / 83.2%	1:53 / 78.4%	1:50 / 82.4%	1:54 / 75.6%
<i>Travel Time (4:30 @ 90%)</i>	5:42 / 74.9%	6:36 / 39.8%	7:18 / 60.5%	7:03 / 54.4%
<i>Total Response Time (7:30 @ 90%)</i>	6:54 / 92%	7:59 / 81.6%	8:11 / 83.8%	8:09 / 83%

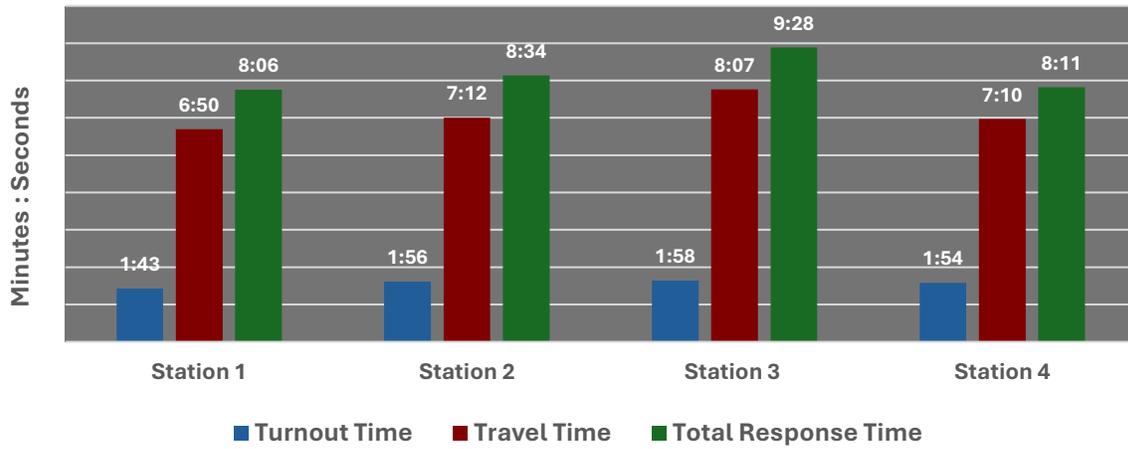
Table 5 displays a significant amount of information that is more easily understandable in chart form. Below are bar charts representing the information in Table 5 in chart form by station and year and an all-year average.



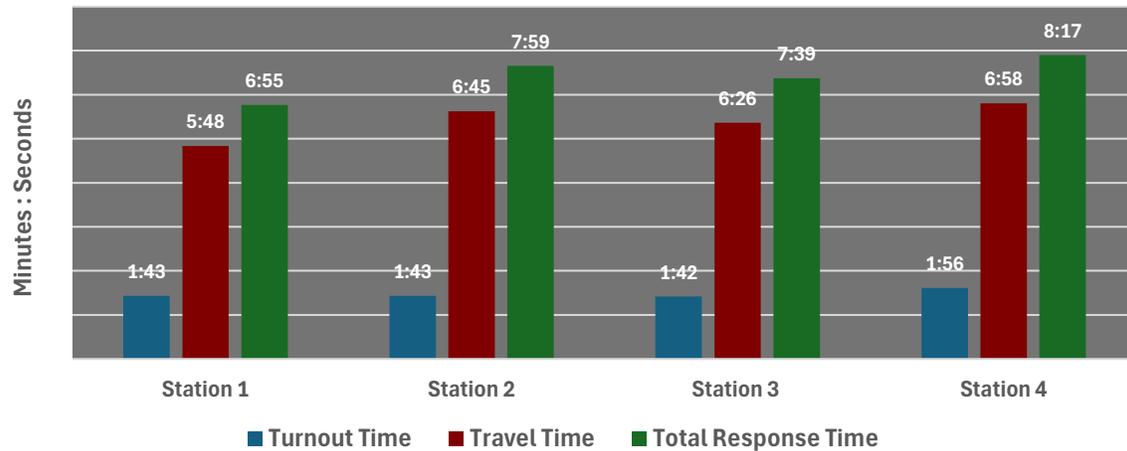
Chart 2 - 2021 - Station Comparison - Response Times

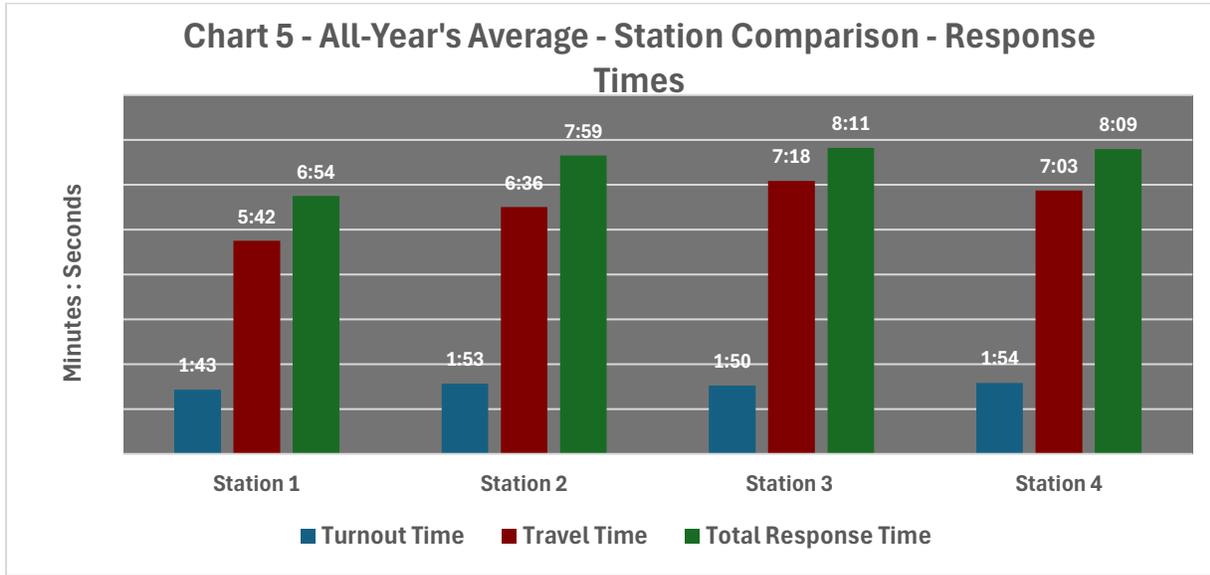


**Chart 3 - 2022 - Station Comparison - Response Times**



**Chart 4 - 2023 - Station Comparison - Response Times**





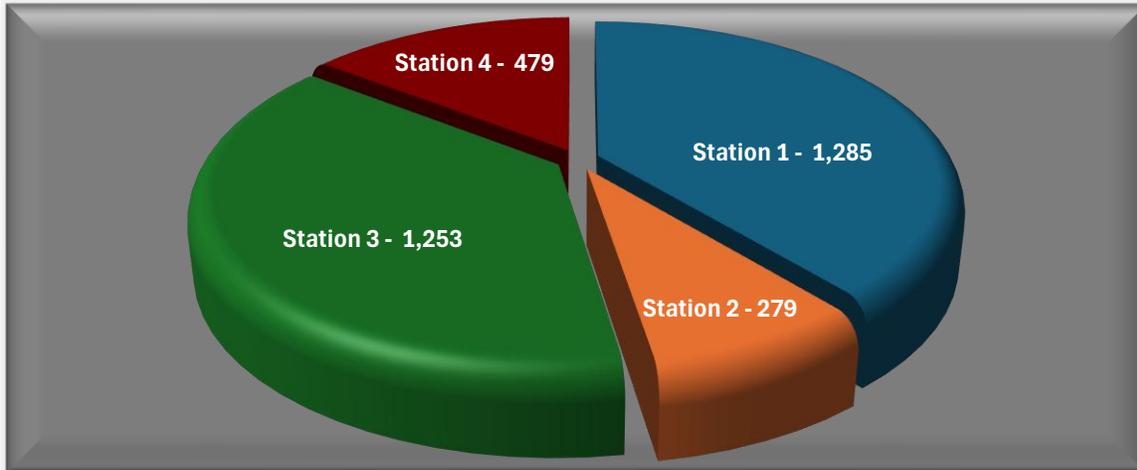
The data shows that Station 1’s total response times are below the standard of 7 minutes to 30 seconds in all years except 2022, as mentioned earlier. Station 1’s all-year average statistic for total response time is also below the standard. None of the years between 2021 and 2023 did any other stations meet or exceed the total response time standard. Station 3 had the highest response times on average over the three years. The data show that the stations most needed improvement are Stations 3 and 4, noting that Station 2 was not far behind.

Are there mitigating factors that might account for adjustment in and between the stations? One crucial item could be the number of calls managed each year by each station. Table 6 below illustrates the call data by station for a year.

**Table 6 - Calls by Year by Station**

Year	Station 1	Station 2	Station 3	Station 4	Total All Stations
2021	329	100	311	93	833
2022	472	71	442	186	1,171
2023	484	108	500	200	1,292
<b>Totals</b>	<b>1,285</b>	<b>279</b>	<b>1,253</b>	<b>479</b>	<b>3,296</b>

Chart 6 - Calls Handled By Station - 2021 - 2023



Stations 1 and 3 are the heavy hitters. Over the three-year period, these two stations managed approximately 4.5 times the number of calls Station 2 made and over 2.5 times the number of calls managed by Station 4. Station 1 managed the most calls *and* had the best response times by notable measure.

To further address the response time statistics, the operations members of the committee provided the following discussion, which provides more detail and specificity. Of note is the period of the data presented as it relates to Stations 2 and 5. The period of the analysis ranges from 2021 to 2023. During this time, Station 2 was a staffed functional fire station. Station 5 did not come online until August 2024. This information will be clarified relative to some of the discussion below.

### **Historic and Current Response Time Deficiency Factors**

#### **District-Wide**

- The significant population growth within the District's boundaries and its reach outside its borders causes a lack of adequate street infrastructure.
- This infrastructure inadequacy is demonstrated in two (2) regards. The first relates to the unrelenting road construction issues (new homes, businesses, governmental facilities) resulting from the growth. The second is the resulting population-induced traffic volumes that often cause travel delays.
- The District completes/requires on-duty training. The training is often held at venues other than the appointed fire station (e.g., the District's Administration Building). This

compels companies in training to respond from a location other than their assigned fire station, causing additional delays in the turnout time facet of total response time.



*Administration Building*

### Station 1

- Given that Station 1's (1's) response times are the most favorable of all the stations, some factors cause 1's response times to inflate.
- Many of 1's response time averages include responses that would most recently be in the new Station 5's zone. These calls into the new Station 5's zone (some of which was previously 1's zone) had magnified 1's response times to a degree.
- From June to October 2024, the main arterial access route for 1's (Colorado Blvd) was closed for construction, requiring responses from 1's to utilize circuitous response routes.
- With 5's now open (as of August 19<sup>th</sup>, 2024) and Station 2 closed, responses from 1's to the Raspberry Hill and Eagle Valley subdivisions will require longer *travel times*.



*Station 1*

## Station 2

- Historically, Station 2 (2's) has utilized cross-staffing apparatus to deliver the appropriate apparatus based on the incident type. The cross-staffing concept has advantages and is not conducive to swift response times. Firefighting PPE is not preloaded into any apparatus before a call or incident. Upon receiving a call and determining the appropriate apparatus to deploy, the firefighter's gear must be loaded into that apparatus. As expected, the cross-staffing concept is not conducive to rapid turnout times.
- The type of apparatus at 2's has not been favorable to quick response times. Most recently, the key apparatus responding out of 2's was the fleet's most prominent, heaviest, and slowest apparatus (100' Aerial Tower).
- When factoring in response access to higher call volume areas of the district, the location of 2's was detrimental to rapid response times. Most incidents are/were traffic accidents on Interstate 25, calls for service on Highway 52, and responses into the Raspberry Hill subdivision. These response areas require a several-mile trip around or along the interstate. Lack of direct access to I-25 and sheer distance to response areas were inhibited two response times.
- 2's is the district's only firehouse with two stories of livable space. When responding as a double company (medic and truck), one of the crews had to sleep upstairs. The upstairs crew was not equipped with a built-in alerting system for notification and utilized their radios or phones as substitutes. Upon receiving a call, the upstairs crew needed to travel downstairs, through the kitchen, through the dayroom, and into the bay, increasing turn-out times.



*Station 2*

### Station 3

- The population growth in Station 3's (3's) response area has expanded dramatically to the north and some degree to the west of location 3.
- Increased calls for service have arisen from the Barefoot Lakes subdivision on Highway 66 and County Road 19. These demands have extended the travel times by three responses.
- Localized road construction issues, particularly in and around the Barefoot Lakes subdivision, have affected response times realized out of 3's (e.g., WCR 24, Ronald Regan Blvd., WCR 15, etc.).
- Speed reduction devices, such as oversized speed bumps, in the subdivisions in the vicinity require notably slower speeds for responding apparatus.



*Station 3*

### Station 4

- Station 4 (4's) was constructed in the north-westerly portion of the District in anticipation of population growth. The population growth in the 4's zone has not yet come to fruition.
- Consequently, the current population density of station 4's response area is not where the station is located. The station's position allows access south into 2's and 5's zones and east into 3's.
- Most calls for service are east of I-25 for 4's, usually along Hwy 119 and through the Hwy 119 / I-25 interchange. The Hwy 119 / I-25 interchange is one of the busiest interchanges in the northern metro area and maybe the busiest in Weld County.
- Station 4's responses also utilized cross-staffing apparatus, as was described above for the 2's.
- Many of 4's calls for service during the 2021 – 2023 time period were into what is now 5's zone. The opening of 5's should help with the response times exhibited out of 4's, with the limitation that many 4's calls will still need to go through the Hwy 119 / I-25 interchange.



*Station 4*

With the addition of Station 5 (5), the southwest portions of the District will now be covered expertly. As mentioned above, significant numbers of 4 calls will now be managed by 5, setting the stage for lower response times out of 4. In concert with that dynamic, 4's will now be able to focus on calls closer to home and, in some cases, aid in response to some of 3's calls.



Station 5

The most significant *potential* for growth within the District's boundaries is the expansion of the subdivision known as Barefoot Lakes and the surrounding area, which extends from the north-central to northeastern boundaries of the District. The growth of Barefoot Lakes falls primarily to the 3's zone, although the westerly portions of this subdivision are in the 4's zone. However, it should be noted that all of the District's zones are showing development.

As things stand today, Station 1's zone continues to be the busiest, with Station 3's zone not far behind. The west side of I-25 is considerably slower than the areas east of I-25. It is believed that Station 3's zone will show the most growth in service demand in the next few years, with more multi-family and commercial coming in around Hwy 119 and I-25 (primarily the Barefoot Lakes subdivision & surrounding area). District 5 will show growth but will be well within the capabilities of a truck and ambulance company for several years into the future.

One significant additional factor was tendered by the committee's Ops Staff members and reiterated by the Ops Chief. Due to the current stations being located along the outer periphery of the District, it has always been a challenge to meet response times in the central portions of the District. With the reconfiguration of 4 and 5 zones, there is no longer a need for 2's in its current location.

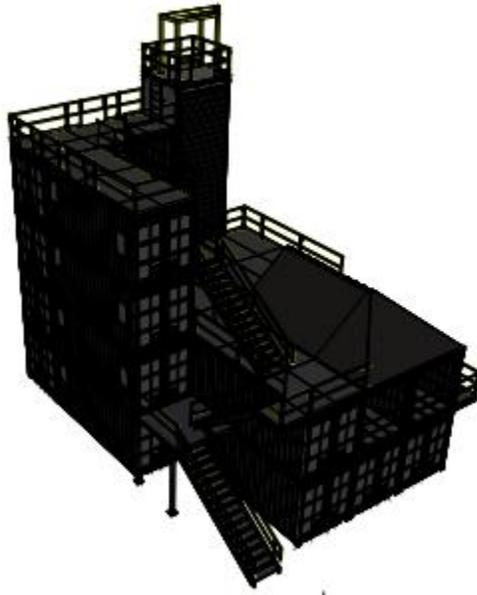
With the growth experienced by the district in recent years, the size of the fleet (apparatus, staff vehicles, trailers, and other similar equipment) has grown similarly. The District has had an agreement with the Town of Frederick (Town) in which a repair and maintenance facility owned by the Town was shared with the District. Unfortunately, this agreement will need to be nullified in short order. The Town will need to sell the property upon which the shared facility is located to a significant business within the Town's boundaries. This eventuality has brought into sharp focus the District's pressing need for a maintenance & training facility. This is further discussed in section III below.

In conclusion of this section, at the risk of stating the obvious, few factors can affect response times more than fire station proximity. Discussed above are various statistical aspects of the state of affairs with the District's fire station logistics. There is a demonstrative need for a new station in the Barefoot Lakes subdivision. As highlighted in the next section, this eventuality is in progress. Also in progress are the architectural and engineering facets of a maintenance & training facility at the County Road 11 property.

### ***III. Infrastructure Assets***

This section briefly discusses the needed assets based on the analysis and discussion in Section II. Projected infrastructure capital asset requirements above. The opening of Station 5 most recently satisfied one significant piece of the District's facilities infrastructure needs.

An important aspect not discussed above is the need for a *Training & Maintenance Facility* for the District's training activities and growing apparatus & vehicle repair and maintenance requirements. This facility is also underway and considered in the "briefcase" asset phase, which means engineering, site testing, and architectural aspects are underway. This facility will be located on an approximately ten (10) acre property the District acquired in 2022. This property, commonly referred to as the County Road 11 property or "The Farmhouse," is located about as centrally within the District's boundaries as is possible. The "Training & Maintenance Facility" is planned to be constructed between 2025 and 2026. The Training & Maintenance Facility is also in the briefcase asset phase.



ARCHITECT  
Lonestar Design

ARCHITECT  
Lonestar

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Lonestar

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Lonestar

*Rendering of the proposed Burn Building*





*Proposed Training & Maintenance Facility*

As outlined above in section II, the most immediate need is the Training and maintenance Facility due to the approaching loss of the Town of Frederick’s maintenance facility. Next in line would be Fire Station 6 (Station 6) in the Barefoot Lakes subdivision. Station 6 is also currently in the “briefcase” asset stage. Depending upon revenue realities in that period, Station 6 is planned to be constructed from 2025 through 2027.

The following facility in the queue is the *Fire Station 1 (Replacement)* project. This project involves the likely scenario of constructing a new Station 1 on the site of Station 1’s current location. The Fire Station 1 (Replacement) project is scheduled to be built between 2028 and 2030.

The last facility asset needed within the current twelve (12) year infrastructure capital asset strategy is moving Station 2 to the County Road 11 property. Moving Station 2 from its current location to the center of the District will eliminate the station periphery challenge it now faces. A considerable difference in the District’s response times out of Stations 1 and 3 in particular and the other stations will manifest upon the moving of Station 2 to the County Road 11 property.

The capital fleet and equipment needed to stock these facilities are daunting. An enumeration and discussion of each of these required assets would be exhaustive. It was decided by the committee that instead, a table (Table 7) would be constructed showing the assets to be acquired over the twelve (12) year span of the current infrastructure capital acquisition plan. Note that included in Table 7 is a brief listing of *Capital Personal Protective Equipment*. While these types of assets are not considered “fire department infrastructure capital assets,” it was thought that a presentation of the acquisition plans added depth to the overall complement of infrastructure capital assets. Table 7 below illustrates the assets’ cost (inflated at 4%) and the year of planned acquisition/completion within the twelve (12) year acquisition plan.

**Table 7 - TWELVE (12) YEAR FFD INFRASTRUCTURE CAPITAL ACQUISITION PLAN**

Inflation Rate 4.00%

Capital Facilities	Estimated Cost 2024	YEAR													
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Fire Station 5 (Wyndham Hills)	13,000,000	11,725,922													
Admin Building Remodel	2,300,000	2,498,298													
Training & Maintenance Facility	8,500,000			9,193,600											
Fire Station 6 (Barefoot Lakes)	10,250,000				11,529,856										
Fire Station 1 (Replacement)	10,250,000							12,969,520							
Fire Station 2 (Relocate)	11,500,000									15,738,544					
	55,800,000	14,224,220	0	9,193,600	11,529,856	0	0	12,969,520	0	15,738,544	0	0	0	0	0
Capital Fleet & Equipment		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Type One Engine (4)	1,200,000			1,297,920			1,459,983			1,642,283			1,642,283		
Ambulances (5)	385,000	277,193			433,073			487,148			386,388				641,053
Type 1 Rescue Engine (2)	1,250,000		1,300,000									1,850,305			
Aerial Ladder Engine (3)	1,300,000	1,276,731								1,779,140					
Type 3 Quick Attack Engine (1)	750,000			811,200											
Type 6 Engines (3)	265,000	263,912				310,013						392,265			
Tender (1)	550,000											814,134			
Medic Fast Response Vehicle (1)	325,000							411,229							
Staff Vehicles (1 Every Year)	70,000	70,000	72,800	75,712	78,740	81,890	85,166	88,572	92,115	95,800	99,632	103,617	107,762	112,072	116,555
	6,095,000	1,887,836	1,372,800	2,184,832	511,813	391,903	1,545,149	986,949	92,115	3,517,222	486,020	3,160,322	1,750,045	112,072	757,608
Capital Personal Protective Equipment		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
PPE - Ave - \$20K / Year	20,000	20,000	20,800	21,632	22,497	23,397	24,333	25,306	26,319	27,371	28,466	29,605	30,789	32,021	33,301
SCBA - \$1.25 M - 2034	1,250,000											1,850,305			
Heart Monitors & AEDs - (Every 5 Years)	328,000			354,765					431,626					525,139	
TIC's	200,000	200,000				233,972				273,714					333,015
Radio Equipment (Every 10 Years)	1,100,000					1,286,844									1,831,581
	2,898,000	220,000	20,800	376,397	22,497	1,544,213	24,333	25,306	457,944	301,085	28,466	1,879,910	30,789	557,159	2,197,897
<b>TOTAL:</b>	<b>64,793,000</b>	<b>16,332,056</b>	<b>1,393,600</b>	<b>11,754,829</b>	<b>12,064,166</b>	<b>1,936,116</b>	<b>1,569,482</b>	<b>13,981,775</b>	<b>550,059</b>	<b>19,556,852</b>	<b>514,486</b>	<b>5,040,232</b>	<b>1,780,834</b>	<b>669,231</b>	<b>2,955,505</b>

Table 7 above shows the year the listed asset is expected to be in service and the inflated cost based on the estimated cost in today's dollars (*Estimated Cost 2024*). In practice, the acquisition of all the *capital facilities* and most of the *capital fleet & equipment* cannot be purchased, produced, and placed in service in a single year. The capital facilities assets listed in Table seven would take at least 3 years and, more likely for most, 4 years to complete. It must be mentioned that in the case of capital facilities, and to some degree with capital fleet & equipment, total one-year payments are not how these types of assets are acquired. Payments are made throughout the gradual construction progress in each year involved. While this is much more the case with facilities related to fleet & equipment, this pattern often occurs, at least to a degree with fleet & equipment.

The District's experience with fire station construction has generally been a four (4) year period. In the early years, depending on circumstances, the asset is carried as what is known as a briefcase asset. This means architecture, engineering, site testing, and other activities are being accomplished. These briefcase asset tasks must be well underway before the needed blueprints and associated documents can be supplied to a general contractor (GC) so that a bid can be assembled based on those blueprints. The contract with the GC is typically not entered into until late in the 2<sup>nd</sup> year or early in the 3<sup>rd</sup> year, depending upon circumstances.

The same concept, although usually not to the degree, applies to the capital fleet & equipment. Large apparatus purchases, such as aerial ones, can take nearly as long as it takes for a fire station. It often takes three (3) to almost four (4) years to get a large apparatus ordered, built, delivered, and placed in service. It



is challenging to obtain even the smaller pieces of equipment like ambulances and brush trucks in a much shorter period than two (2) years, sometimes approaching three (3) years. Staff vehicles can be ordered, acquired, and serviced within a year.

The costs associated with the capital assets in Table 7 are the costs that would be expected if the associated asset were to be purchased, constructed/built, and placed in service in that year. It has been established that this is not the reality for most assets, as shown in Table 7. This assumes that the inflation rate of 4% per year is valid. This assumption certainly would *not* have proved accurate if this analysis had been presented four (4) years ago. Accurate inflation rates, going back four (4) years, were nothing short of staggering. A 4% inflation assumption,

beginning in 2020 and running through 2024, would have produced severely underestimated cost projections. Will this be the case over the years 2025 through 2029 or 2030? Only time will tell; the point is that it is best to incorporate a sense of unpredictability and best-estimated procedures when endeavoring prognostications such as those shown in Table 7.

One last note before turning to Section IV. The costs shown in Table 7 are expected if the assets were purchased and placed in service that year. The discussion above acknowledges that the contract year is often a year before the asset is placed in service. Once a contract is entered into, it is unlikely that inflation will further affect the assets' cost unless an inflation-based contract is entered into. As this is also improbable, the costs shown in Table 7 are likely slightly overstated. Take, for example, Fire Station 6. Fire Station 6 is shown as being placed in service in 2027. While this is wholly accurate regarding timing, the estimated cost of Station 6, which will be purchased in 2024, is \$10,250,000.

The cost of Station 6 in 2027 dollars, inflated at 4% for three (3) years, is \$11,529,856 (the cost shown in Table 7). The contract with the GC for Fire Station 6 will likely be entered into in 2025 or 2026. If the contract is entered into in 2025, the cost in 2024 dollars would be inflated by only one (1) year's inflation assumption (4%). This would make the cost equal to approximately \$10,660,000. If the contract is entered into in 2026, the projected cost would be \$11,086,400. For this reason, the costs shown in Table 7 are likely overstated, as always, assuming the 4% inflation assumption is valid. In budgeting for costs, it is generally recognized that overestimating costs and underestimating revenues are some of the surest ways to aid an organization in the never-ending struggle for financial resources. Another way that most organizations get into financial trouble is by overestimating revenues, underestimating costs, or both. Literature pays heed to the overestimation of revenues as the most potent ingredient for short-term issues with solvency.



**IV. Sources of Financing:** This section identifies funding sources for necessary capital assets.

With this segway into revenues, it is time to consider sufficient revenue overtime to pay for the assets shown in Table 7. If the assets shown in Table 7 were the only expenditures necessary by the District over the next twelve (12) years, the District would be in extraordinary financial condition. Unfortunately, in most years, the cost of operations (operating expenditures) exceeds the outlay for capital assets.

Along with the assets listed in Table 7, personnel are needed to occupy the fire stations and operate the apparatus, ambulances, brush trucks, and staff vehicles. Administrative activities

are required to pay the bills, keep the revenues coming in, and keep the District in good standing with the myriad regulatory and taxing entities constantly nipping at the heels of all organizations. The fire stations and other facilities must have electricity, water & sewer, internet, communications hookups, and trash services, to name a few. Facilities and fleet repairs and maintenance are omnipresent and, in many years, seemingly insatiable. These are the infamous operating expenditures that are vital to most organizations. With the addition of capital facilities & fleet, increased expenditure must be budgeted for these operating costs.



The operating expenditure aspects of the District's functions and objectives are beyond the scope of this document. Some costs of the district's capital facilities and fleet must be mentioned. In some cases, it may be necessary to acquire a facility before it can realistically be staffed and operated. This is relatively frequent in the fire service as in the years of construction of a facility; significant cash flow is dedicated to the facility itself. Once the facility is built and construction expenses cease, cash flow may be freed up to address staffing and operating concerns. So far, that has not happened with the District's activities, but it is not outside the realm of possibility. Some forces at work have not been contentious issues for the District in the past. These forces have significantly altered deliberations and approaches to revenue for most of the fire districts in the state.

Special Fire Districts (fire districts), such as FFFD, have been creatures of property tax funding for decades. In many, if not most, fire districts in the State, 70 to 80% of the revenues come from property taxes. Over the last several years, substantial issues have been regarding state legislative actions to reduce property taxes.



The Colorado State Legislature has been on a determined path to reduce the amount of property tax revenue received by most primary governments within the State. This results from mounting pressure from taxpayer groups as real and personal property values have unquestionably risen to admittedly high dollar values due to growth-induced demand for property and the severe inflation experienced over the last few years. Compared to many states, property tax rates in Colorado are low. Even with these greater actual property values, Colorado’s property tax revenues are still lower than in many states.

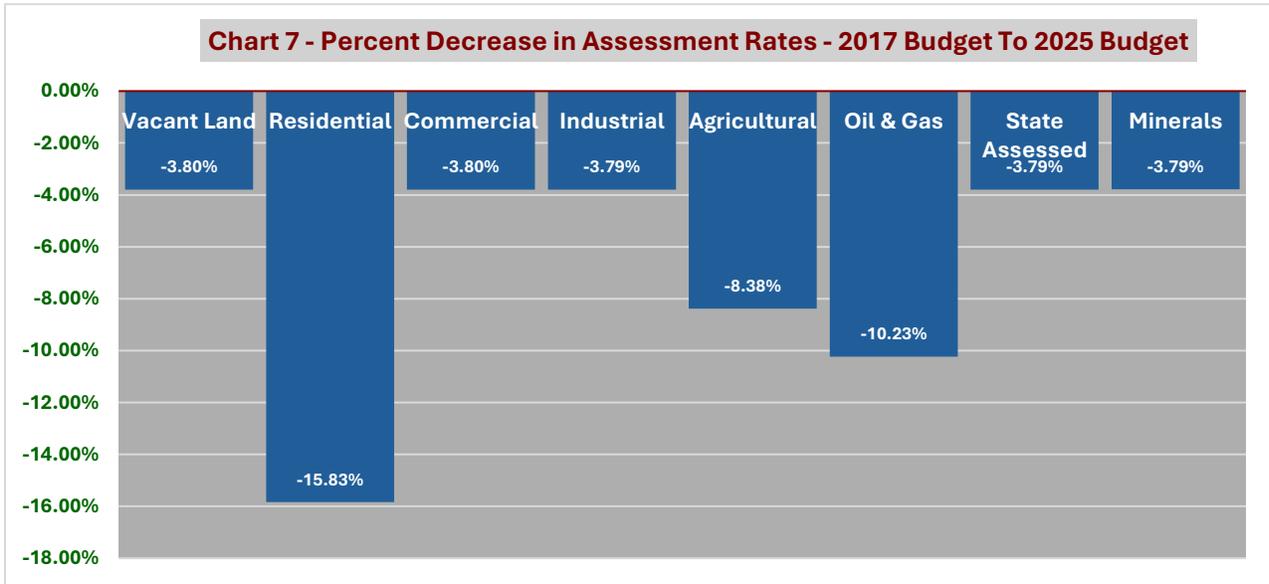
The State Legislature accomplishes this through two (2) primary methodologies. These two methods include lowering (decreasing) the *assessment rate* (AR) and increasing what is known as the “Property Tax Exemption.” Other factors are incorporated, such as the splintering of long-held property type categories into more sub-categories, which has complicated the matrix but, at least so far, has not produced significant downward pressures on the District’s property tax revenues.

The most significant is the reduction in *assessment rates*, beginning in earnest in the PTY 2017 for the 2018 Budget (BUD). This year, the State started to its resolute downward pressure on assessment rates (ARs). Before the 2018 BUD, the assessment rates remained remarkably consistent for over a decade. Note that after the 2017 BUD year, the residential AR began to slip from 7.96%, which had been the standard since 2003.

**Table 8 - Assessment Rate by Property Category by Year**

CATEGORY	PTY 2014 for 2015 BUD	PTY 2015 for 2016 BUD	PTY 2016 for 2017 BUD	PTY 2017 for 2018 BUD	PTY 2018 for 2019 BUD	PTY 2019 for 2020 BUD	PTY 2020 for 2021 BUD	PTY 2021 for 2022 BUD	PTY 2022 for 2023 BUD	PTY 2023 for 2024 BUD	PTY 2024 for 2025 BUD
Vacant Land	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	27.90%	27.90%
Residential	7.96%	7.96%	7.96%	7.20%	7.20%	7.15%	7.15%	7.15%	6.95%	6.70%	6.70%
Commercial	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	27.90%	27.90%
Industrial	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	27.90%	27.90%
Agricultural	29.15%	29.09%	29.10%	29.03%	29.03%	29.06%	29.00%	29.01%	26.81%	26.66%	26.66%
Oil & Gas	70.70%	78.48%	75.85%	76.21%	74.23%	77.12%	74.37%	70.54%	79.98%	77.95%	68.09%
State Assessed	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	27.90%	27.90%
Minerals	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	27.90%	27.90%

Chart 7 below illustrates the percentage decrease in ARs from the 2017 BUD year to the current 2025 BUD year.



Residential, the largest category in the District, shows the most significant decrease. Its share of the total assessed value for the District is by far the largest. Decreases in the AR in this category are particularly harmful to the District. One note that must be discussed is the decrease in Oil & Gas (O&G) and the general volatility shown in this category. This decrease is not solely due to decreasing ARs. In other words, the state legislature did not specifically decrease the O&G AR. The legislature has expressly noted the intention *not* to lower the AR for the O&G portion of the O&G category.

The answer is that the O&G category includes real and personal property (healthy site equipment, pipelines, buildings, office furniture, etc.). This individual property is assessed at the same AR as the Commercial Property category (currently 27.9% and previously 29%). The actual value for O&G is highly dependent upon oil and gas prices, drilling activity, and other economic and regulatory factors. The AR applied to the purely O&G portion of the category is 87.5%.

The ARs shown in Table 8 for the O&G category above range from 68.09% to 79.98. These values represent a weighted average AR between the personal property values and the purely O&G values used to calculate this AR. It is a blend of O & G property assessed at 87.5% and realty & personal type property evaluated at 27.9%. The O&G industry suffered one of its worst years in some time. This caused the averages to skew towards the 27.9 % AR with less (much) at 87.5%, significantly affecting the 2025 BUD AR. To quantify the costs of these decreases in AR shown in Table 8 and Chart 7, what would have been the budgeted property tax revenues for the 2025 BUD year had the ARs of the 2017 BUD year been applied? The answer is shown in Tables 9 and 10 below.

**Table 9 - 2025 Actual Values - 2017 BUD AR's**

<i>Property Classification</i>	<i>Actual Value</i>	<i>2017 BUD AR's</i>	<i>Assessed Value</i>
Vacant Land	81,012,677	29.00%	23,494,169
Residential	6,019,418,654	7.96%	479,164,007
Commercial	753,243,576	29.00%	218,441,013
Industrial	355,100,432	29.00%	102,978,939
Agricultural	7,211,454	29.10%	2,098,226
Oil & Gas	302,076,963	75.85%	229,121,262
State Assessed	134,522,568	29.00%	39,011,541
Minerals	847,190	29.00%	245,687
<b>Gross Taxable AV:</b>			<b>1,094,554,844</b>
<b>Less TIFF Allocation:</b>			<b>(140,303,283)</b>
<b>Net Taxable AV:</b>			<b>954,251,562</b>
<b>Mill Levy:</b>			<b>13.900</b>
<b>Property Tax:</b>			<b>13,264,097</b>

Table 9 (above) shows the revenues that would have been budgeted in the 2025 Budget had the assessment rates (ARs) from the 2017 BUD year applied. The property tax revenue that would have been budgeted for general operating expenditures for 2025 would have been **\$13,264,097**. The TIFF allocation was increased by the same proportion (percentage) of the respective Gross Taxable AVs for the two scenarios ( $\$1,094,554,844 / \$980,500,330 = 1.116 \times \$125,683,437 = \underline{\$140,303,283}$ ).

Compare this amount to Table 10 below. The revenues budgeted for 2025 using the 2025 Actual Value and the actual 2025 AR's is **\$11,885,955**. The difference is **\$1,382,142**. That is a significant difference, based exclusively on the degradation of the ARs over the years that the State legislature has propagated. If the state legislature continues on this track, which appears to be the case, fire districts in the state must look to other revenue sources.

**Table 10 - 2025 Actual Values - 2025 BUD AR's**

<i>Property Classification</i>	<i>Actual Value</i>	<i>2025 BUD AR's</i>	<i>Assessed Value</i>
Vacant Land	81,012,677	27.90%	22,601,660
Residential	6,019,418,654	6.70%	403,301,310
Commercial	753,243,576	27.90%	210,148,130
Industrial	355,100,432	27.90%	99,073,010
Agricultural	7,211,454	26.66%	1,922,380
Oil & Gas	302,076,963	68.09%	205,685,650
State Assessed	134,522,568	27.90%	37,531,810
Minerals	847,190	27.90%	236,380
<b>Gross Taxable AV:</b>			<b>980,500,330</b>
<b>Less TIFF Allocation:</b>			<b>(125,683,437)</b>
<b>Net Taxable AV:</b>			<b>854,816,893</b>
<b>Mill Levy</b>			<b>13.900</b>
<b>Property Tax</b>			<b>11,881,955</b>
<b>DIFF:</b>			<b>1,382,142</b>

If this logic is mathematically applied to all the years since the legislature decreased assessment rates (2017BUD year), the total climbs to \$4,597,987. Between 2017 and 2025, the District was relieved of \$4,597,987 in property tax revenues due solely to legislative action.

This is, unfortunately, the situation in which the District now exists. The question always at the forefront is how much further the legislature will reduce ARs. Unfortunately, another aspect of legislative action can decrease property tax revenues for the District. This is the property tax exemption. Some refer to this concept as the *actual value reduction*; other terms have also been applied. This property tax exemption involves an off-the-top standard decrease in the *exact value* of residential and commercial category property before the AR is used. This further reduces the amount of property tax generated.

In 2023, the State imposed the exemption with the caveat that fire districts would be 100% backfilled via SB23B-001 if I am not mistaken. Per the Weld County Assessment Coordinator and the Weld County Assessor's Office, the district received 100% backfill. The backfill was received in the April 2024 distribution (for March 2024) or the May 2024 distribution (for April 2024) for approximately \$916,000. The issue is that most did not believe they had

received the backfill, including FFFD. This is because the backfill was not itemized in the distribution.

Recipients had no distinction in the distribution as to what specifically comprised the backfill in the distribution. The distribution included the backfill in the Current Tax minus Current Year Abatement category. Weld County Assessor is tracking that down and should have that specified next week (week of Jan 6, 2025). We hope that we can garner sufficient documentation regarding the backfill. Even for Weld County Assessor's Office employees, the backfill verification is difficult, arguably much more so than it should be.

Understanding the \$55,000 reduction in the residential property category and the \$30,000 reduction in the commercial property category, both in PTY 2023 (for the 2024 Budget), seems relatively straightforward, but it is not. The legislature incorporated further complexities.

Specifically, the pertinent legislation incorporated the verbiage, "*...For the property tax year commencing on January 1, 2023, the valuation for assessment for multi-family residential real property is temporarily reduced to 6.7 PERCENT of THE AMOUNT EQUAL TO THE ACTUAL VALUE OF THE PROPERTY MINUS THE LESSER OF FIFTY-FIVE THOUSAND DOLLARS OR THE AMOUNT THAT CAUSES THE VALUATION FOR ASSESSMENT OF THE PROPERTY TO BE ONE THOUSAND DOLLARS.*"

Note that a similar value reduction was instituted for the commercial property category. In the above quote for the residential property category, the reduction to commercial property is defined if 27.9% is substituted for 6.7% and thirty thousand dollars is substituted for fifty-five thousand dollars.

This could be taken in a couple of different ways (at least). Does this mean that either the \$55,000 or the \$30,000 reductions:

1. Option 1: The property value reduction cannot be under \$1,000.
  - a. Example: a residential property in eastern Weld County is only worth \$55,000. In this case, only \$54,000 of the deduction can be used so that \$1,000 of actual value remains.
2. Option 2: Not less than \$1,000 in assessed value may be produced due to the actual value reduction.
  - a. Example: Same home in eastern Weld County, worth \$55,000. This becomes more complex and is an algebra problem:
    - i. The AR = 6.7% : The Algebraic equation would be:  $.067X = 1,000$ . To solve for X, divide \$1,000 by  $.067 = \$14,925.37$
    - ii. Then, for properties against which a 6.7% AR is applied, the market or actual value cannot be reduced lower than \$14,925.37
    - iii. For the \$55,000 actual value residence in eastern Weld County, the exact value cannot be reduced to less than \$14,925.37
    - iv. This would limit the \$55,000 reduction to  $\$55,000 - \$14,925.37 =$   
**\$40,074.63**

- v. In other words, the market or actual value of this \$55,000 residential property could not be reduced by more than \$40,074.63 such that a \$1,000 assessed value remained.
  - vi. i.e.,  $\$55,000 - \$40,074.63 = \$14,925.37 \times .067 = \$999.99$  (\$1,000) = Assessed value of \$1,000 (against which a taxing entity's mill levy would be applied).
3. Per the Weld County Assessor's Office, Option 2 is correct—with one caveat: Residential property cannot have its actual (market) value lowered to less than \$14,930 instead of \$14,925.37, the precise mathematical amount. The county is allowed to round up to the nearest \$10.00.



Table 11 – Summary of Assessment Rate Changes & Actual Value Exemptions

Type of Property		2021 Assmt Rate (payable in 2022)	2022 Assmt Rate (payable in 2023) Created under SB21-293	2023 Assmt Rate and exemptions (payable in 2024) created under SB22-238	2023 Assmt Rate and exemptions (payable in 2024) Spec Sess SB23B-001	2024 Assmt Rate and exemptions (payable in 2025) SB24-111 and 24-233
Non-residential	Renewable Energy Production Real & PP	29.0%	26.4%	26.4%	26.4%	26.4% *(exempt first \$30,000 actual floored at \$1,000 assd)
	Agricultural Real & PP	29.0%	26.4%	26.4%	26.4%	26.4%
	Commercial (abstract 2*)	29.0%	29.0%	27.9% (exempt first \$30,000 actual floored at \$1,000 assd)	27.9% (exempt first \$30,000 actual floored at \$1,000 assd)	27.9% (exempt first \$30,000 actual floored at \$1,000 assd)
	Industrial	29.0%	29.0%	27.9%	27.9%	27.9%
	Vacant Land	29.0%	29.0%	27.9%	27.9%	27.9%
	Personal Property	29% <= \$50,000 exempt	29% <= \$50,000 exempt	27.9% <= \$52,000 exempt	27.9% <= \$52,000 exempt	27.9% <= \$52,000 exempt
	Oil & Gas	87.5%	87.5%	87.5%	87.5%	87.5%
Residential	Multi-family housing (i.e. apartments)	7.15%	6.80%	6.765% (exempt first \$15,000 actual floored at \$1,000 assd)	6.7% (exempt first \$55,000 actual floored at \$1,000 assd)	6.7% (exempt first \$55,000 actual floored at \$1,000 assd)
	All other residential property	7.15%	6.95%	6.765% (exempt first \$15,000 actual floored at \$1,000 assd)	6.7% (exempt first \$55,000 actual floored at \$1,000 assd)	6.7% (exempt first \$55,000 actual floored at \$1,000 assd)
	Titled Manufactured Homes (i.e. M accounts)	7.15%	6.95% (<= \$28,000 is exempt HB22-1223)	6.765% (exempt first \$15,000 actual floored at \$1,000 assd) (<= \$28,000 is exempt HB22-1223)	6.7% (exempt first \$55,000 actual floored at \$1,000 assd) (<= \$28,000 is exempt HB22-1223)	6.7% (exempt first \$55,000 actual floored at \$1,000 assd) (<= \$28,000 is exempt HB22-1223)

As of June 6, 2024

\*Red: still to be verified

Green: a change due to 2024 bills

Below is an example of a commercial property situation relative to the actual value reduction.

Option 2: That not less than \$1,000 in assessed value may be produced as a result of the actual value reduction – commercial property category:

- a. Example: Commercial property in eastern Weld County worth \$30,000:
  - i.  $AR = 27.9\%$  : The Algebraic equation would be:  $.279X = 1,000$ . To solve for X, divide \$1,000 by  $.279 = \$3,584.23$
  - ii. Then, for commercial properties against which a 27.9% AR is applied, the market or actual value cannot be reduced lower than \$3,584.23
  - iii. For the \$30,000 actual value residence in eastern Weld County, the exact value cannot be reduced to less than \$3,584.23
  - iv. This would limit the \$30,000 reduction to  $\$30,000 - \$3,584.23 =$   
**\$26,415.77.**
  - v. In other words, the market or actual value of this \$30,000 commercial property could not be reduced by more than \$26,415.77 such that a \$1,000 assessed value remained.
  - vi. i.e.,  $\$30,000 - \$26,415.77 = \$3,584.23 \times .279 = \$1,000 =$  Assessed value of \$1,000 (against which a taxing entity's mill levy would be applied).
- b. Per the Weld County Assessor's Office, this is correct – *with the same caveat*: Commercial property cannot have the actual (market) value lowered to less than \$3,590 instead of \$3,584.23, the precise mathematical amount. The county is allowed to do roundups of up to the nearest \$10.00.