

HCFPD Mill Levy Increase and Exception to Limitations Ballot Issue 6A

HCFPD is better known as your local Huerfano County fire department. This is who responds to your most dire needs when fire emergencies occur, including wildland fires such as the most recent Spring Creek Fire. They also respond to your structural fires, as well as vehicle accidents and other emergencies.

The Huerfano County Fire Protection District is placing a ballot issue on the **November 5, 2019** election asking if the HCFPD shall be authorized to increase its real property taxes by 2.5 mills commencing in 2020.

This mill levy increase will be used, but not limited to,

- Funding the district's capital needs
- To meet and exceed the operational cost of providing fire protection, equipment, administration and capital improvements
- To upgrade and maintain fire apparatus, emergency equipment and existing fire stations.

ABOUT HCFPD

- The HCFPD receives the **majority** of their annual revenue funding from residential taxes. Relief from the **loss in tax revenue** caused by the Gallagher Amendment is needed. Explanation of the Gallagher amendment is listed below.
- The HCFPD has **never** requested a mill levy increase since their inception in the 1980's. They have been barely existing on the same mill levy all these years and they valiantly continue providing the best possible service and protection they can afford, but they are slipping further and further behind.
- Funding is needed to help balance the needs of the HCFPD, to enable the upgrade of aging and out-of-compliance equipment and to maintain that equipment. To provide protective gear, training and supplies, to ensure safe and competent emergency response times and to meet the increasing call volume.
- Funding is also needed to upgrade and maintain fire stations that meet the ongoing needs of the department and the growing population in Huerfano County.

This requested mill levy increase of 2.5 mills will be in addition to the currently imposed mill levy of 2.45 mills, which will then equal 5 mills. The table below will show what it would potentially cost the homeowner in their property taxes should the requested mill levy pass.

Property tax is based on the following formula: *assessed value of your home, multiplied by the assessment ratio of 7.15% (Huerfano County Assessment ratio), multiplied by the mill levy, divided by 1000.*

| Appraised value | Assessed value | CURRENT FD mill levy | PROPOSED FD mill levy | TOTAL Mill levy | |
|-----------------|----------------|----------------------|-----------------------|-----------------|----------|
| | | 2.55 mills | 2.45 mills | 5 mills | |
| \$100,000 | \$7,150 | \$18.23 | \$17.52 | \$35.75 | PER YEAR |
| 125,000 | \$8,938 | \$22.79 | \$21.90 | \$44.69 | PER YEAR |
| 200,000 | \$14,300 | \$36.47 | \$35.04 | \$71.50 | PER YEAR |
| 250,000 | \$17,875 | \$45.58 | \$43.79 | \$89.38 | PER YEAR |

THE GALLAGHER AMENDMENT

WHAT IS IT AND HOW DOES IT HUGELY AFFECT HCFPD

The Gallagher Amendment, which passed in 1982, was designed to maintain a constant ratio between the property tax revenue that comes from residential property and from business property. The effect of Gallagher was to reduce the percent of property value that is subject to taxation whenever statewide total residential property values increased faster than business property values. As a result of the Gallagher Amendment, the assessment rate for residential property has declined by more than two-thirds over the years because of Colorado’s population growth and because of increases in residential real estate values. **The net effect has been a marked decline in revenues collected from property tax, which prior to Gallagher, provided the majority of fire department funding. Another reduction has already occurred in 2019.**

This means Huerfano County Fire Department will not be able to operate on its current mill levy income.

What it will mean if the Mill Levy is NOT passed?

- Budget cuts – which means cutting staff, fire equipment, training and protection.
- Insurance Rate increases, meaning insurance increases for residents, as the department will not be able to maintain the current ISO rating. (this is the agency that determines your insurance rates)
- Limit the staffing capabilities of two fire stations, which mean potentially closing Station 2 located at Navajo Estates, which means longer response times and reduced rural fire coverage
- Longer response times due to the cuts in equipment, fire fighter numbers, training and having only one station to respond from.

- Making due with used and dilapidated safety and emergency equipment rather than affording new up-to-date and safety compliant equipment and supplies.
- The HCFPD will have to discontinue wildland fire fighting participation such as the SPRING CREEK FIRE, meaning the Department will not be able to be a first responder on the wildland fires
- The HCFPD will have to limit or eliminate mutual aid to neighboring communities

What it will mean if the Mill Levy Passes

- There will be no reduction in existing services, and the department will be able to add more staff and equipment to meet increasing call volume
- The ISO ratings and related insurance premiums will be able to be maintained (again this is the agency that determines your insurance rates).
- The increased mill levy will allow HCFPD to maintain and improve their wildland cooperative program
- The HCFPD will be able to continue to keep all stations open and operating at a high level of service, increasing staff and equipment
- The HCFPD will be able to continue to have and increase community services such as reviews, building inspections and fire prevention education, plus add more services
- There will be no increased response time, in fact, better equipment and more manpower will decrease response time
- The HCFPD will be able to continue and can increase standby services such as at accidents, school events, community events, etc.