

RED, WHITE & BLUE FIRE PROTECTION DISTRICT

Special Meeting of the Board of Directors Minutes

September 06, 2018

1.0 Call to Order

The special meeting of the Board of Directors (BOD) of the Red, White and Blue Fire Protection District (RWBFPD) was called to order by BOD President Arch Gothard at 9:00 a.m.

2.0 Roll Call

Board Members Present: _ Dean Lippert (excused) X Rich Rafferty
 X Jim Brook X Ken Wiegand
 X Arch Gothard

District/Department Attendees: Fire Chief Jim Keating; Deputy Chief Jay Nelson; Finance Officer Laura Johnson; and Human Resource Officer Amanda Seidler. Administrative Assistant Jessica Johnson served as recording secretary.

Citizens attending: Attorney Bob Cole, Teresa Perkins, Deb Keating.

3.0 Approval of Changes to the Agenda

There were no changes of the agenda.

4.0 Citizens' Comments

No citizens' comments were offered.

5.0 Approval of Resolution 2018-06, A Resolution Calling for a November 6, 2018 Special Election, Authorizing an Election on the Question of a Mill Levy Adjustment and Appointing a Designated Election Official

Attorney Bob Cole provided an in-depth historical recap of the Gallagher Amendment starting in 1982 and explained how the amendment has affected the fire service over time. The TABOR Amendment was also discussed in-depth.

Chairperson Gothard requested Bob Cole to recap the primary points associated with the Gallagher Amendment. The highlights of that presentation are noted in Attachment A.

Finance Officer Johnson offered an explanation in layman's terms. The actual property values have to increase at a rate at least the same percent that the residential assessment rate drops. The risk that you're exposing yourself to is that when residential property values drop, you can't get your residential assessment rate to go back up.

The Board of Directors discussed how to best educate the public on such a complex topic prior to the election.

M/S Directors Brook/Rafferty - to approve Resolution 2018-06.

Roll call vote, unanimous. Motion carried.

6.0 Citizens Comments

There were no citizens' comments to record.

7.0 Other Business

The ESCI Meeting will occur on September 25th.

8.0 Adjournment

M/S Directors Brook/Wiegand to adjourn the meeting at 10:17 a.m.

Voice vote, unanimous. Motion carried.

The next regular scheduled meeting of the Red, White & Blue Fire Protection District Board of Directors is scheduled for September 27, 2018 beginning at 3:00 p.m.

Attachment A

The Gallagher Amendment

- Assessment rates must be split 45% residential, 55% non-residential properties.
- The non-residential rate was 29% at the time that Gallagher was adopted, and the residential rate was 21%.
- Since then, as residential growth has outpaced non-residential growth, the residential assessment rate has been continuously slashed in order to maintain the 45/55% split.
- Since 1982 the residential rate has dramatically declined from 21% to 7.2%.
- Though there have been periods of time where the rate has remained consistent, the rate has never increased. The reason it has never increased is largely due to the implementation of the TABOR amendment in 1992.
- The TABOR amendment was intended to reduce property tax in general, so it applies to all categories of properties.
- The TABOR amendment states that you can't raise your mill levy or property tax over a certain percentage, nor can you increase total revenue above a certain percentage. Additionally, an assessment rate cannot be changed without a vote.
- Assessment rates are re-analyzed every two years to maintain the 45/55 split. This occurs on oddly numbered years.
- The current assessment rate is expected to go from 7.2% to somewhere in the neighborhood of 6.1 and 6.5%.
- The recommendation of the assessment rate will be released in January.
- The reduction of the residential rate from 7.2% to 6.1% will result in a revenue loss of 15%.