

SUNSHINE FIRE PROTECTION DISTRICT

NOTICE OF ELECTION ON A REFERRED MEASURE

Election Date: Tuesday, November 3, 2020

Election Hours: 7:00 a.m. to 7:00 p.m.

Designated Election Official:

Daniel Fischer – Treasurer, SFPD Board of Directors
6320 Sunshine Canyon Dr.
Boulder, CO 80302
Phone: (303) 440-3658

SUNSHINE FIRE PROTECTION DISTRICT BALLOT ISSUE 6A GALLAGHER REVENUE STABILIZATION

SHALL SUNSHINE FIRE PROTECTION DISTRICT BE AUTHORIZED TO INCREASE OR DECREASE ITS CURRENT AND ALL FUTURE GENERAL MILL LEVIES ONLY IF, ON OR AFTER NOVEMBER 3, 2020, THERE ARE CHANGES IN THE METHOD OF CALCULATING ASSESSED VALUATION, INCLUDING BUT NOT LIMITED TO A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE RESIDENTIAL ASSESSED VALUATION DUE TO ARTICLE X SECTION 3 OF THE COLORADO CONSTITUTION (COMMONLY KNOWN AS THE GALLAGHER AMENDMENT), SO THAT, TO THE EXTENT POSSIBLE, THE ACTUAL TAX REVENUES GENERATED BY SUCH MILL LEVIES ARE THE SAME AS THE ACTUAL TAX REVENUES THAT WOULD HAVE BEEN GENERATED HAD SUCH CHANGES NOT OCCURRED?

YES/FOR THE MEASURE NO/AGAINST THE MEASURE

FISCAL INFORMATION

Actual Historical and Current Estimated Fiscal Year Spending

Year	Fiscal Year Spending
2020 (estimated)	\$201,210.00
2019 (actual)	\$100,005.87
2018 (actual)	\$93,278.36
2017 (actual)	\$67,368.83
2016 (actual)	\$244,698.33

Overall percentage change in fiscal year spending over the five-year period from 2016 to 2020: -17.8%

Overall dollar change in fiscal year spending over the five-year period from 2016 through 2020: -\$43,488.33

SUMMARY OF COMMENTS FOR THE ISSUE

This ballot issue is not meant to raise taxes; it is meant to stabilize the Sunshine Fire Protection District's General Fund tax revenue. The volunteer firefighters of the Sunshine Fire Protection District (SFPD) provide excellent fire and emergency medical services to residents of the District, responding to over 80 calls each year including fires, medical emergencies, search and rescue and auto accidents. Approval

of this issue will enable our fire district to maintain the revenue that supports our volunteer firefighters and EMS personnel.

SFPD operates on a very slim budget, and depends on property taxes as its main source of income. SFPD tax revenues are projected to decline by 15% in the 2021 tax year due to the Gallagher Amendment and the COVID 19 economic downturn. The proposed ballot issue would stabilize SFPD tax revenues by authorizing the Board to raise the General Fund mill levy to compensate for tax revenue lost due to the Gallagher Amendment. A separate Community Wildfire Prevention Plan mill levy would remain unchanged

The Gallagher Amendment requires a statewide, 45%-55% split of the total property tax revenue between residential and non-residential/oil and gas properties. It maintains this split by adjusting the Residential Assessment Rate (RAR) so that statewide residential property taxes make up 45% of the total statewide property taxes.

During an economic downturn, the Gallagher Amendment drives residential taxes down by reducing the RAR. When businesses recover, the Gallagher Amendment would allow the RAR to increase. However, that change is not allowed to happen. Raising the RAR is considered a tax increase and TABOR mandates that it can only be done by a statewide ballot referendum. Thus, Gallagher decreases residential taxes in a business downturn, and TABOR prevents them from rising in a business recovery. If this ballot issue is not approved, the reduction in the SFPD General Fund revenues will be permanent.

SFPD's General Fund mill levy supports the ongoing expenses of utilities, maintenance, firefighter/EMS training, firefighter/EMS PPE and leasing costs associated with the purchase of fire engines. As such, the District depends on a stable, ongoing revenue stream. This is why it is imperative that SFPD pass this ballot issue to provide protection from the effects of the Gallagher Amendment.

SUMMARY OF COMMENTS AGAINST THE ISSUE

No comments were filed by the constitutional deadline.