

**Minutes of the Regular Meeting of the Board of Directors of the
Sunshine Fire Protection District**

June 9, 2020

Call to Order

The meeting was held via conference call due to COVID-19 Pandemic.

The meeting was called to order at 7:35 PM and quorum was established.

Attendance

Board Members Present: Alan Kirton, Jean Gatzka, Dick Smith, Cathy Shoenfeld, Dan Fischer

Board Members Absent:

Others Present: Chief Michael Schmitt

Approval of Minutes

- Minutes from the May Board meeting were reviewed.

MOTION: To approve May Board Meeting Minutes was seconded and carried unanimously.

Treasurer's Report

- Treasurer's report was reviewed. D. Fischer provided an overview of the financial reports and budget key items.
- C. Shoenfeld offered to help with treasurer tasks as needed.
- Group discussed potential future revisions to the Chart of Accounts in Quickbooks to clarify and add more specificity e.g. separate Fire Dept expenses and income from CWPP expenses and income.

MOTION: To approve Treasurer's Report with suggested corrections. Motion was seconded and carried unanimously.

Fire Chief's Report

- Update on RFP for new truck. One proposal was received. Deadline is June 12.
- Discussion of Community Fest: it is time to start thinking about whether and how we might have a community festival and fund-raiser. Ideas include: a different type of fund-raiser that might build off celebratory ideas like the birthday parade for Ruby Heflin; offer testing prior to an event and wondering if there is a way to get financial support for that; making donation. Issues: COVID constraints, volunteer efforts and need new approach. J. Gatzka will organize a brainstorming meeting with Beth and others to discuss options.
- Discussion of Wildfire Dispatch policy / protocol and funding for COVID-related firefighters should they become symptomatic or sick during a wildfire assignment. This year we have several firefighters who are willing and able to go on assignment with an engine. This is a great opportunity for training and practice.

Other Business

- Oaths of office and surety bonds were filed with Dept. of Local Affairs and County Clerk.
- RFP responses.
- Work has continued on fire cistern at 1462 CR 83.
- RFP for shaded fuel break out for proposals.
- De-Gallagher ballot initiative - whether we want to pursue a ballot initiative. In terms of timing, these are the critical short term dates we would have to meet:
 - Notification of intent to County Clerk July 6
 - IGA between FPD and County Clerk Aug 25
 - Certification of the ballot language Sept 4

Need a DEO – Designated Election Official – work is primarily August-Sept timeframe. Legal work needs to get done to complete the ballot language and would need to be confirmed by the board. DOLA website has full list of deadlines and information.

Considerable amount of public outreach will be needed.

Board discussed support to move ahead with this ballot initiative. D. Fischer offered to assist with developing information for Sunshine voters. We could learn from other districts that have done this. Statewide ballot could help or hurt the chances.

MOTION: to initiate the process to de-Gallagher for SFPD and begin work on a ballot initiative was seconded and passed unanimously.

D. Fischer volunteered to be the DEO with help from D. Smith and A. Kirton to cover vacations.

J. Gatza volunteered to work on community information and engagement.

- Board recommended meeting in person for the July meeting at Station 1 with doors open and wearing masks.

Adjourned at 8:51 PM

Attest:



Jean Gatza, Board Secretary



Sunshine Fire Protection District
311 County Rd 83
Boulder, CO 80302
www.sunshine-fpd.org

Chief Report, Board Meeting 06/09/2020

1. **New Truck RFP.** We have received one proposal, and the deadline is June 12.
2. **Community Fest.**
3. **Wildfire Dispatch.** We are in discussion with Workman's compensation and other districts on how each will cover their firefighter's COVID-19 situation if the firefighter becomes symptomatic or exposed during a wildfire assignment.

Calls

<u>Incident</u>	<u>Units</u>	<u>Problem</u>	<u>Response Date</u>
BCFD200514-005026		FICONR- Controlled Burn	5/14/2020 12:25
BCFD200514-005030	2301, 4602, 4652, A14, AMRC, BR3, FM2, SS3	EMSR- Medical Call	5/14/2020 14:06
BCFD200516-005107	4532, 4562, 4566, 4601, 4661, 5404, 5461, A6, SS2	EMSR- Medical Call	5/16/2020 13:24
BCFD200516-005132	GH2	FICAMR- Illeg/Unattend Campfire	5/16/2020 20:40
BCFD200521-005311		FICONR- Controlled Burn	5/21/2020 11:35
BCFD200522-005373	FM1, LH1	FICAMR- Illeg/Unattend Campfire	5/22/2020 20:38

<u>BCFD200524-005462</u>	4603, 4654, 4661, 4662	FIASSR-Fire Assist	5/24/2020 20:17
<u>BCFD200524-005463</u>		FIASSR-Fire Assist	5/24/2020 20:54
<u>BCFD200526-005517</u>		FIINFR-Fire Information	5/26/2020 9:55
<u>BCFD200527-005585</u>	4566, 4661, BCFDO3, FM1, SS3	FISMOR-Smoke Report	5/27/2020 19:49
<u>BCFD200529-005655</u>	4532, 4562, 4566, 4662, 4665, A25, AMRC, FM3, SS1	EMSR-Medical Call	5/29/2020 18:07
<u>BCFD200530-005688</u>		FICONR-Controlled Burn	5/30/2020 16:40
<u>BCFD200531-005710</u>	5461, A7, AMRA, GH3	EMSR-Medical Call	5/31/2020 9:26
<u>BCFD200531-005723</u>	4566, 4661, A10, AMRB, GH3	INACCR-Injury or Rollover	5/31/2020 13:12
<u>BCFD200531-005736</u>	4601, 4652, 4661, FM3, SS1	FIODOR-Odor Inv Outside	5/31/2020 16:48
<u>BCFD200531-005741</u>	4501, 4561, 4566, 4602, 4661, A16, AMRA, BES3, FM2, SS1	INACCR-Injury or Rollover	5/31/2020 17:40
<u>BCFD200602-005796</u>		FICONR-Controlled Burn	6/2/2020 9:39
<u>BCFD200605-005963</u>	2301, 4561, 4566, 5433, A23, AMRD, BR2, FM2, GH3, SS1	EMSR-Medical Call	6/5/2020 18:58
<u>BCFD200606-005981</u>	4566, 4661, 4662, 4665, AMRA, FM3, SS2	EMSR-Medical Call	6/6/2020 8:33

BCFD200607-
006060

4532, 4566,
4601, 4661,
A27, AMRC,
FM1, SS1

FIALRSR-
Residential
Fire Alarm

6/7/2020 19:29

Board Meeting June 9th, 2020

Meeting will be via conference call: Dial in number: 1-425-436-6336, Access code: 560583

Agenda

Review/Approve Minutes from April Meeting

Review/Approve Treasurer's Report

Review Chief's Report

Other Business

1. Oaths of office and surety bond were filed with Division of Local Affairs (DOLA) and Boulder County Clerk. Also had to do a bit of catch up and file Jean's and my oaths of office from the 2018 election.
2. RFP responses for the 4502 replacement are due on June 12th.
 - We had a response from a supplier stating that the delivery timeline we had specified in the RFP was not possible due to supply chain issues; primarily chassis manufacturers were pushing back their delivery schedules. They will still respond with their best delivery date.
3. Work on the project to install a fire cistern at 1462 CR 83 is continuing:
 - The Limited Impact Special Use Review application is due on July 13, 2020. It will take 6-8 weeks for Boulder County to review/approve the application. It may or may not require a public meeting with the County Commissioners.
 - I had drafted an easement document based on easements that SFPD has used in the past. Still waiting for the Lin's approval of the wording.
 - The next step is to get a survey done to verify legal description for easement and to establish contour lines for area where the parking and cistern are to be located. This is a requirement for submittal of the Limited Impact Special Use Review
4. On June 1st the RFP for the shaded fuel break project at 3701 SCD was sent to 13 forestry contractors. The proposals are due on June 19th with contractor selection by June 26th.
5. Michael has asked for a discussion on the plans for the 2020 Community FEST
6. Discussion about whether SFPD should pursue a de-Gallagher ballot initiative in the 2020 election.
 - The deadline for filing the Notification of Intent to participate in the election with the Boulder County Clerk is July 6th. **A decision regarding whether to pursue the ballot initiative will have to be made in June's board meeting.**
 - IGA between SFPD and County Clerk is due August 25th
 - Certification of ballot language is due on September 4th
7. Other business??

Do We Want to Pursue a De-Gallagher Ballot Initiative?

Thoughts

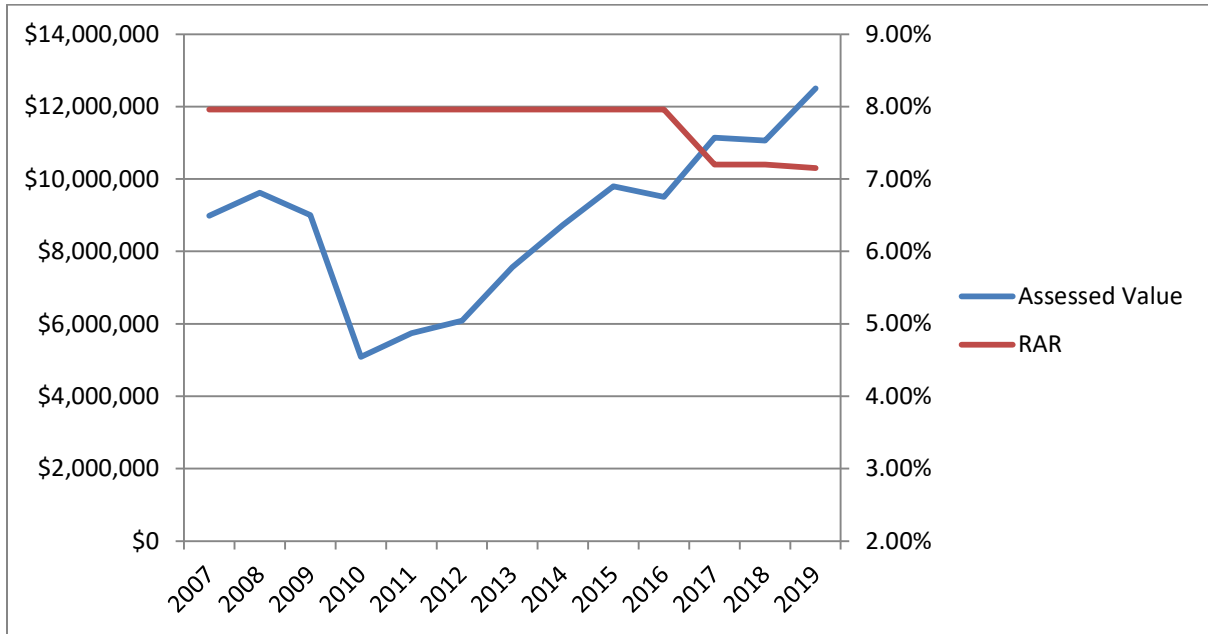
- Because of the COVID-19 business downturn and the drop in oil and gas extraction, the Residential Assessment Rate is projected to drop. Preliminary estimates are that the 2021-2022 Residential Assessment Rate calculation will result in a RAR of 5.88% which is approximately 18% lower than the 2019-2020 RAR of 7.15%
- This will result in a drop of tax revenue for the district. The amount of drop will be based on the final calculation for the RAR, the property valuation increase (or decrease) and the mix of residential vs other properties in the district.
- Because of TABOR, the RAR calculation can only result in a drop in the residential assessment rate. If subsequent year calculations resulted in a higher RAR they cannot be enacted because of TABOR. Thus the RAR drop is permanent and can only be made up through property valuation increases which may well be offset by further drops in the RAR.

Tax Year	Calc Residential Assessment Rata	Legislated Residential Assessment Rate
Pior to 1983	30%	30%
1983-1986	21%	21%
1987	18%	18%
1988	16%	16%
1989-1990	15%	15%
1991-1992	14.34%	14.34%
1993-1994	12.86%	12.86%
1995-1996	10.36%	10.36%
1997-1998	10.08%	9.74%
1999-2000	9.83%	9.74%
2001-2002	9.15%	9.15%
2003-2004	7.96%	7.96%
2005-2006	8.17%	7.96%
2007-2008	8.19%	7.96%
2009-2010	8.85%	7.96%
2011-2012	8.77%	7.96%
2013-2014	9.13%	7.96%
2015-2016	8.24%	7.96%
2017-2018	7.20%	7.20%
2019-2020	7.15%	7.15%

- My expectation is that in the long term, the oil and gas extraction is going to drop which will result in further downward pressure on the RAR
- Based on history, even if the legislature is able to get a De-Gallagher amendment on the November ballot there is a better than even chance that it will be voted down. We have a much

better chance of passing a local ballot initiative that provides relief from Gallagher for our district.

- Historically SFPD has been somewhat immune to the effects of the Gallagher Amendment. Property valuations have gone up faster than the residential assessment rate has decreased, thus our tax revenues have continued to grow.



- Other districts have been successful in getting de-Gallagher amendments passed:

Lefthand Fire Protection District - Issue 6B Gallagher revenue stabilization

Yes — 81%

No — 19%

Rocky Mountain Fire Protection District - Issue 6A Gallagher revenue stabilization

Yes — 49%

No — 51%

Berthoud Fire Protection District - Issue 7B Tax revenue

Yes — 62%

No — 38%

Four Mile FPD - Issue 6B

Yes — 61.4%

No — 38.6%

Logistics

- Ballot initiatives take a considerable amount of work.
- We will need to appoint a Designated Election Official who can manage all the bureaucratic aspects; especially the interactions with the county.
- I assume we would have \$1500 to \$2000 worth of legal expenses to create the legalese around the ballot language
- There will need to be community outreach and one or more public meetings to discuss

De-Gallagher Ballot Language

Fire Protection Districts within the Front Range have taken various approaches with their De-Gallagher ballot initiatives.

Berthoud Fire Protection District Ballot Issue 7B

IN ORDER TO SUSTAIN ADEQUATE FIRE, RESCUE, AND EMERGENCY MEDICAL SERVICES, AND ONLY IF THE RESIDENTIAL ASSESSMENT RATE IS REDUCED BELOW THE CURRENT RATE ESTABLISHED PURSUANT TO SECTION 3 OF ARTICLE X OF THE COLORADO CONSTITUTION, SHALL THE BERTHOUD FIRE PROTECTION DISTRICT (DISTRICT) BE PERMITTED TO ADJUST ITS PROPERTY TAX MILL LEVY TO OFFSET ANY DECREASE IN REVENUE CAUSED BY THE REDUCTION OF THE RESIDENTIAL ASSESSMENT RATE; AND SHALL SUCH TAX PROCEEDS BE COLLECTED AND SPENT BY THE DISTRICT AS VOTER APPROVED REVENUE AND SPENDING CHANGES IN EACH YEAR, WITHOUT REGARD TO ANY CONSTITUTIONAL OR STATUTORY SPENDING OR REVENUE LIMITATIONS CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND SECTION 29-1-301 OF THE COLORADO REVISED STATUTES?

Based on this ballot language it would appear that if the RAR drops then the district is authorized to raise the mill levy by the amount necessary so that tax revenues are equal to the tax revenues if the RAR had not been decreased. So in the case where the RAR drops and property values increase such that tax revenues are increased, the district is still able to raise the mill levy to compensate for the lower RAR.

Four Mile Fire Protection District Ballot Issue 6B: Gallagher revenue stabilization

WITHOUT IMMEDIATELY INCREASING TAXES, AND ONLY IF THE RESIDENTIAL ASSESSMENT RATE IS REDUCED BELOW THE CURRENT RATE OF 7.15% ESTABLISHED PURSUANT TO SECTION 3 OF ARTICLE X OF THE COLORADO CONSTITUTION (COMMONLY KNOWN AS THE GALLAGHER AMENDMENT) AND ONLY IF ANY SUCH RESIDENTIAL ASSESSMENT RATE REDUCTION RESULTS IN A DECREASE IN DISTRICT TAX REVENUES FROM THE DISTRICT VOTER-APPROVED MILL LEVY, SHALL THE FOUR MILE FIRE PROTECTION DISTRICT (DISTRICT) BE PERMITTED TO INCREASE ITS CURRENT AND FUTURE PROPERTY TAX MILL LEVY TO OFFSET ANY SUCH DECREASE IN REVENUES THAT MAY ADVERSELY AFFECT FIRE, RESCUE, AND EMERGENCY SERVICES, AS DETERMINED BY THE DISTRICT'S BOARD OF DIRECTORS; AND SHALL ALL REVENUES RESULTING FROM ANY INCREASE IN ITS CURRENT AND FUTURE PROPERTY TAX MILL LEVY BE COLLECTED AND SPENT BY THE DISTRICT AS VOTER-APPROVED REVENUE AND SPENDING CHANGES IN EACH YEAR, WITHOUT REGARD TO ANY CONSTITUTIONAL OR STATUTORY SPENDING OR REVENUE RESTRICTIONS OR LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE CONTAINED IN SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER LAW, AND WITHOUT LIMITING, IN ANY YEAR, THE AMOUNT OF OTHER REVENUE THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

Based on this ballot language, the district can raise the mill levy if the RAR drops and there is also a drop in tax revenue. In the case where the RAR drops, but tax revenues still went up because of an increase in property valuation then the district is not authorized to raise mill levies.

Other Considerations

SFPD has the General Fund mill levy of 8.48 mills and a CWPP mill levy of 3.56. Assuming there is a way to support this in the ballot language then one possible approach is to only apply the De-Gallagher ballot initiative to the General Fund mill levy. That lessens the financial impact to the residents but still shores up the funding for the fire department.