

FACTUAL SUMMARY

February 11, 2025

Frederick-Firestone Fire Protection District
8426 Kosmerl Place, Frederick, CO 80504 | (303) 833-2742

Proposed Sales Tax
May 6, 2025, Regular Special District Election

FIRE DISTRICT: The Frederick-Firestone Fire Protection District (“**Fire District**”) provides fire suppression, fire prevention, public education, technical rescue, water & ice rescue, hazardous material response, community risk reduction, emergency management, and advanced life support (ALS) emergency medical transport services (“**Emergency Services**”) to the residents, properties, and businesses within its jurisdiction. The Fire District protects approximately 38 square miles of land, including the communities of Frederick and Firestone and portions of unincorporated Weld County. The Fire District currently operates five stations, and a sixth station is scheduled to open in 2027.

SUMMARY OF THE ISSUE: The Fire District does not currently have sales tax and depends primarily on property tax revenues to fund its Emergency Services. The Fire District’s property tax revenues decreased by 25% (for a total revenue loss of approximately \$4.3 million) between 2024 and 2025 as a result of changing property tax valuations (including fluctuations in the assessed value of oil and gas properties), as well as other recent changes to state property tax law enacted by the Colorado General Assembly. At the same time, the population served by the Fire District is growing, with the Fire District currently providing Emergency Services to approximately 43,000 residents, an increase of nearly 40% since 2015. The Fire District’s emergency call volumes have increased by approximately 26% since 2021, and the Fire District’s operational expenses and personnel costs have also risen by approximately 33% since 2021.

At the May 6, 2025, special district election, the Fire District will ask its citizens to approve a sales tax of 0.5% (one-half of one percent, or 0.5 cents on every dollar). If approved, this sales tax would apply to all purchases within the Fire District’s jurisdiction, except for those items that are exempt from state sales tax by law, including prescriptions, food for domestic home consumption, diapers, feminine products, and school activities. If successful, the proposal is expected to generate up to \$3,561,555 in additional revenue in fiscal year 2026 and additional amounts thereafter.

ARGUMENTS AGAINST THE PROPOSAL: If successful, the proposal will increase sales taxes within the Fire District’s jurisdiction. For voters who support less taxes and smaller government, the Fire District’s increase in tax revenues may be contrary to this objective. The sales tax revenues would fund a variety of Fire District priorities, including hiring additional personnel, purchasing additional fire and emergency medical vehicles, and purchasing new Emergency Services equipment. Voters who support only some of these priorities may be opposed to a new sales tax to fund all of them. Some voters may be opposed to raising additional revenue through a new sales tax as opposed to an increase in the Fire District’s property tax, raising its ambulance response fees, or not raising revenue at all and instead scaling back Fire District services.

ARGUMENTS FOR THE PROPOSAL: Approval of the proposed sales tax will allow the Fire District to replace revenues that have been lost as a result of changes to property valuations and state property tax laws. Unlike a property tax, a sales tax will be paid by all consumers, including those who utilize the Fire District’s services but do not own property within the Fire District’s jurisdiction, and will help temper the recent instability in property tax revenues. If successful, the Fire District will utilize the new sales tax revenues to support its administration, operations, and personnel needs, including striving to fulfill the following priorities:

- Hiring up to 21 additional personnel by 2030 to fully staff all of its fire stations;
- Purchasing needed emergency vehicles, including two ambulances and two fire engines; and
- Purchasing necessary equipment, including personal protective clothing, self-contained breathing apparatus, medical diagnostic equipment, rescue equipment, and new radios to comply with federal regulations.

The additional revenue will help to maintain response times and could improve the Fire District’s Insurance Service Office rating, potentially reducing insurance premiums for homeowners and commercial businesses.

THE BALLOT ISSUE: Frederick-Firestone Fire Protection District Ballot Issue – Sales Tax Increase

SHALL FREDERICK-FIRESTONE FIRE PROTECTION DISTRICT TAXES BE INCREASED BY \$3,561,555, THE FIRST FULL FISCAL YEAR 2026 AND BY WHATEVER AMOUNTS RAISED ANNUALLY THEREAFTER FROM A SALES TAX TO COMMENCE ON JULY 1, 2025, AT A RATE NOT TO EXCEED 0.5% (ONE-HALF OF ONE PERCENT) FOR THE PURPOSES OF ENHANCING EMERGENCY RESPONSE COVERAGE, PROTECTING RESPONSE TIMES, AND MAINTAINING EMERGENCY SERVICES INCLUDING:

- HIRING, TRAINING, AND RETAINING FIREFIGHTERS, PARAMEDICS, EMTS, AND OTHER EMERGENCY SERVICE PERSONNEL; AND,
- ACQUIRING ADDITIONAL EMERGENCY SERVICE EQUIPMENT, INCLUDING PERSONAL PROTECTIVE CLOTHING, THERMAL IMAGING CAMERAS, FIREFIGHTER PROTECTIVE BREATHING EQUIPMENT, MEDIAL HEART MONITORS, DIAGNOSTIC DEVICES, AND RESCUE EQUIPMENT; AND,
- REPLACING OUTDATED EMERGENCY RADIO COMMUNICATIONS EQUIPMENT TO COMPLY WITH FCC REGULATIONS; AND,
- ADDING FIRE ENGINES, AMBULANCES, AND OTHER EMERGENCY SERVICES VEHICLES; AND,
- PROVIDING TRAINING ON LIFE-SAVING MEDICAL AND OTHER EMERGENCY RESPONSE TECHNIQUES TO PROMOTE FIREFIGHTER AND CITIZEN SAFETY; AND,
- ENSURING FINANCIAL DIVERSITY, TRANSPARENCY, AND ACCOUNTABILITY BY MAKING THE MOST CURRENT DISTRICT BUDGET AND INDEPENDENT ANNUAL AUDIT AVAILABLE TO EVERY TAXPAYER ON THE DISTRICT WEBSITE;

PROVIDED, THAT THE SALES TAX WILL EXCLUDE ALL TRANSACTIONS ON SALES OF FOOD FOR DOMESTIC HOME CONSUMPTION, PRESCRIPTIONS, DIAPERS, FEMININE PRODUCTS, AND SCHOOL ACTIVITIES, AND ALL OTHER CATEGORIES EXEMPT FROM STATE SALES TAX COLLECTIONS (PURSUANT TO TITLE 39, ARTICLE 26, PART 7, C.R.S.), SUCH SALES TAX TO BE IN ADDITION TO ALL OTHER TAXES LEVIED BY THE DISTRICT AND THE PROCEEDS OF SUCH SALES TAX AND INVESTMENT INCOME THEREON, REGARDLESS OF AMOUNT, TO BE COLLECTED AND SPENT BY THE DISTRICT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, AND ANY OTHER LAW?