



## **FACTS ABOUT A POTENTIAL BALLOT QUESTION IN NOVEMBER**

The Board of Directors of the Evergreen Fire Protection District (which operates as Evergreen Fire Rescue-EFR) is considering asking voters in November to approve a funding issue which would include a mill levy increase to reinforce the District's financial stability, as well as a small bond issue to consolidate Stations 1 and 4 and build a new station 1.

### **Background:**

Evergreen Fire Rescue protects a mountain community population of 26,000 people, 12,000 homes and 600+ commercial establishments, in a 121-square mile area in both Jefferson and Clear Creek counties. Because it contains a major interstate highway (I-70), and several key state highways (U.S. 285, CR 73 and 74), significant residential development within forested areas, and a substantial tourism base, the challenges and exposures are great. The department provides structural and wildland fire protection, Advanced Life Support Emergency Medical Service (EMS), emergency medical training, consumer awareness and fire protection and fire inspection services. The department responded to more than 2,056 calls in 2015, with the largest percentage of those (59%) being EMS-related.

From its origins as an all-volunteer group in 1948, Evergreen Fire Rescue is now recognized as one of the state's leading examples of a "combination" fire rescue agency, with 32 full time employees, including command staff, paramedics and dispatchers, 15 part-time employees, primarily paramedics, and a fire suppression force of 85 skillfully-trained volunteers. The volunteers, who function under a "response where needed" system, report to emergency scenes in their own vehicles or stop at a station to respond in apparatus. The volunteers, members of their own 501 (c) 4 non-profit association, are required to live within the boundaries of the Evergreen Fire Protection District.

### **Why is a mill levy increase being considered?**

EFR has always worked from a strategic plan, to set a standard in serving our citizens. As a result, our Insurance Services Office (ISO) rating has improved, reducing insurance rates for many of our residents, our mill levy is low compared to surrounding fire districts, and we've adjusted to reduced revenue by cutting costs in 2012 through 2016. Our revenues are down over 11% over the past five years due to declining property taxes (which are now leveling off) and decreasing receipts from EMS transports. With the advent of the Affordable Care Act ("ObamaCare"), the cost of providing EMS service has increased, while reimbursements have plummeted. The District is only able to recover 44% of its transport fees, while Medicaid patients in the District have increased 540%. Medicaid reimburses the EMS Division 5% of what is billed, and Medicare 30%. Since Federal law prohibits billing Medicare and Medicaid patients for their unpaid balances, 41% of our total billings are mandatorily written off, leaving EMS with a sustainability of just 45%. Private insurance, while a valuable source of reimbursement, does not cover the total cost of providing EMS service. And of course not everyone has private insurance.

Nationwide, the trend among publicly-funded EMS agencies is to adopt a "public utility" model, with the costs of this public service covered by a sustaining income source, such as property tax. We have to

acknowledge that the District's population is aging (68% of our patient population is over 60) and aging populations generate more calls for medical assistance.

A supplemental mill levy will stabilize our revenue stream, help us rebuild reserves, and allow the District to add some specific specialists in the areas of wildland fire prevention, community paramedicine and community education that we've had to forego.

### **What's our current mill levy?**

Property owners pay 9.026 mills to the District. Of that total, 7.626 funds operations, .034 is for tax refunds and changes in assessment, and 1.366 retires bond debt that funded stations built with a 2002 bond issue. Increasing the mill levy by 3.5 mills would add \$118.00 in property tax to a home in the District valued at \$400,000.

### **What are the plans for a new Station 1 on Highway 73 south of the business district?**

Our Directors are also considering a \$5 million bond issue, to be retired from District revenues and property taxes over the next 20 years, to replace or rebuild Station 1, and consolidate the EMS units at Station 4 into Station 1. Concerns about widening Highway 73 south to Conifer lead us to conclude that Station 1, still a key operations location, will have to be rebuilt or relocated. The station was built in 1965 and needs reconfiguration to house its compliment of engines, brush trucks and tankers. Merging Station 1 with Station 4, two miles away, brings EMS units closer to where the majority of their calls originate. A solution may be to find a new location along Highway 73 with space to accommodate the fire and EMS units that are crucial to that response area. There would be some realization of revenue from selling the Station 1 and 4 locations as well as two other properties the EFPD holds.

### **What has the EFPD been doing to address the lack of funds for general operations?**

- EFR has slashed expenses since 2012 and frozen wages in 2015 and 2016
- EFR has generated additional revenue by contracting dispatching services for five of the mountain area fire districts.
- EFR has contracted apparatus maintenance with many mountain agencies.
- EFR has applied a fee schedule for fire prevention services as well as contracting our fire prevention services out to other agencies.
- EFR charges for facilities use, excluding non-profit organizations, and for motor vehicle accident rescue response to the at-fault, out of district drivers.
- EFR actively seeks and applies for local, state and federal grants to fund large projects, training and equipment replacement.

### **What happens if the mill levy does not pass?**

The district would not have the funding available to support operations fully or to fully fund its capital reserve accounts. If they are depleted, we will have to find other means to fund apparatus replacement, such as more costly lease programs or additional elections requesting funding more often from voters. EFR will also be forced to reduce and limit services currently provided.

### **How do I vote?**

This is a mail ballot election, so if the Board does put the question on the ballot, look for it near the end of the voting form (where district issues are listed). Ballots should go in the mail by Oct. 21<sup>st</sup>. Don't wait until the last minute to send off your ballot – there's a chance it won't be counted in time.