

Trailmark Fire Service/ISO

Option 1 – Build New Station in Trailmark

Financial Overview

- \$2.5 million to construct
- \$2 million annually to operate
- Annual principal and interest on 20-year bond to construct - \$184,000
- Total required financing - \$2.184 million
- Property mill levy required to meet annual debt service and operating cost – 3.6 mills
- Must go to an election of all city voters

Cost/Performance Analysis

- Total average number of calls for entire service area – 12,000
- Total 2011 operating budget - \$15.6 million
- Average cost per call - \$1,250
- Total average number of calls for Trailmark – 45
- Average cost per call at \$2.184 million annual - \$48,500

Advantages

- Would retain ISO Rating 3
- Would reduce response times dramatically

Disadvantages

- Could be very difficult to obtain voter approval

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Option 2 – Automatic Aid Agreement with West Metro Fire Authority

Financial Overview

- Anticipated that West Metro will require equivalent of 12.382 operating mill levy
- Approximate annual payment - \$317,000 over five year contract period.
- Estimated 2011 Trailmark property tax revenue to Littleton at 6.662 mills - \$167,000. City provides fire, police, and street maintenance and plowing.
- \$150,000 shortfall discounting police and street services.

Cost/Performance Analysis

- Annual average number of calls to Trailmark – 45
- Average cost per call - \$7,044

Advantages

- Would retain ISO 3 Rating
- Could moderately reduce response times
- Does not require a tax election
- Would allow LFR use of West Metro Training Facilities

Disadvantages

- Would require cuts in other city services
- Would likely meet political resistance from other city voters

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Option 3 – Detach from Littleton

Legal Overview

- Section 6 of Littleton City Charter and Colorado Statue provide a process for property to detach from a municipality
- Would require a petition process by Trailmark property owners and a vote of all registered voters within the City of Littleton
- Denver Water service would continue to be provided.
- Ken Caryl sanitary sewer service would continue to be provided.

Financial Overview

- Unsubstantiated data suggest ISO Rating 9 will result in average increase in insurance rates of \$600 - \$800 annually
- New property taxes in unincorporated Jefferson County:

West Metro Fire Authority – 13.784 mills (operating and capital bond)

Jefferson County Law Enforcement Agency – 3.20 mills

Jefferson County Library District – 3.2250 mills

Foothills Parks and Recreation District – 7.464 mills

Total new property taxes – 27.673 mills

- The following taxes would be eliminated:

City of Littleton – 6.662 mills

South Suburban Parks and Recreation – 6.689 mills

Total eliminated taxes – 14.144 mills

Total net new property taxes – 14.142 mills

Financial Impact

- Jefferson County Assessor Records indicate total assessed value for Trailmark properties in 2010 - \$25,104,000.
- Average assessed value - \$31,225
- At 14.142 net new mill levy, average tax bill per property would increase \$442.
- It is assumed that ISO rating would remain a 3.
- If increased insurance increase of \$600 - \$800 is correct, detachment would yield average annual savings per property of \$200 - \$400.

Advantages

- Approval of detachment by Littleton voters seems likely.
- ISO 3 Rating retained
- Moderate reduction in response times.

Disadvantages

- Modest increase in property taxes for Trailmark residents.
- Loss of property tax revenue for City and South Suburban

Option 4 – Relocate A Station

Littleton Fire Station Locations

