

April 2019 - 2nd QUARTER SPRINGTIME NEWSLETTER



GALLAGHER AMENDMENT:

In our January newsletter this year we shared with you some information on what the Gallagher amendment is and its impact, in this issue we would like to take give you additional information on what it means for the District:

The Gallagher Amendment... Why is it important the Brook Forest Water District?

“ . . . The G.A. shall adjust the ratio of valuation for assessment for residential real property. . . as is necessary to ensure that the percentage of the aggregate statewide valuation for assessment which is attributable to residential real property shall remain the same as it was in the year immediately preceding the year in which such change occurs.”

What is it? Simply put, the Gallagher Amendment was an amendment to the Colorado Constitution, named for Senator Dennis Gallagher, it was intended to prevent the growth of property tax from residential property from increasing as a part of the State’s total annual property tax revenue more than from non-residential property. Since residential property values have increased faster than nonresidential properties, this ratio has been adjusted continually. The ratio for residential property has been at 7.96% for many years, but with the recent increase residential property assessment, this ratio must be changed to stay within the G. A. guidelines. How are property taxes calculated?

$$\begin{aligned} \text{Actual property value X Assessment Ratio} &= \\ &\text{Assessed Value} \\ \text{Assessed Value X Local Mill Levy} &= \text{Tax} \end{aligned}$$

The impact of the Gallagher Amendment causes the Residential Assessment Ratio (RAR) to reduce when the residential property values increase in relation to non-residential values and was intended to also go up when residential property values declined. The RAR has declined steadily from 21% in 1982, to 7.2% in 2018. A decrease in the RAR of 7.96% to 7.2% from 2017 to 2019, caused an 11% loss in property tax revenues to local government throughout the State of Colorado. Estimates have the RAR declining from 2019 to 2020 from 7.2% to a low of 6.11%, causing an additional 15% in lost property tax revenue to local governments.

Why is it important? Without the ability to increase the Mill Levy without an election (Tax Payers Bill of Rights - TABOR) a District will lose property tax revenue as the assessed property **The Gallagher Amendment allows Districts to increase their Mill Levy enough in order to maintain the same property tax revenue that it had received in the prior year, even though the property values may decrease.** Adjusting the Mill Levy will allow a stabilization in the Property tax revenue the District . receives. The November 2018 election had many Special Districts throughout the State included on their ballots the Gallagher Amendment issue to keep their property tax revenues stable. Many Districts were successful in passing this ballot issue to be able to maintain their current operations, Evergreen Fire Protection District was one of those Districts. Our Board of Directors intends to present this issue on the November 2019 Ballot. More to come in this years’ Newsletters regarding the Gallagher Amendment and what you need to know for the November election.

50 Amazing Facts About Water – Sometimes Interesting – Sometimes Disturbing:

Brought to you by the ESP Water Products website www.espwaterproducts.com, we are going to share with you 50 amazing facts about water over the course of the next few issues of our newsletter – (1-35 can be found in prior Newsletters):

- 31. For every six ounces of caffeine or alcohol you consume, an additional 10 to 12 oz. of water is needed to rehydrate you.
- 32. We lose over 2 quarts (64 oz.) of water every day through the normal vapor exchange of our skin, otherwise known as perspiration.
- 33. It is a little known fact, but insufficient water consumption is actually a risk factor for colon, breast and urinary tract cancers such as cancers of the kidneys, bladder, prostate, and testicles. Hydration is critical to blood circulation to allow immune system cells to reach damaged tissues in greater numbers.
- 34. In 1998 the National Resources Defense Council completed a 4-year test of 103 bottles of water and found that 1/3 of them contained bacteria and other chemicals at levels exceeding industry standards.
- 35. Did you know that 25% of the bottled water on the market is drawn from municipal taps?

Property Transfer Fee Approved:

At the August 14, 2018 Board meeting, the Board of Directors approved the addition of a property transfer fee of \$150 to the District’s Rules and Regulations. The fee is now included in the District’s Rules and Regulations, Appendix A, which can be found on the District’s website.



We have a closed group on **Facebook**, please come and join the group so you can stay in the loop with various updates, especially water outages. Our Group:

Brook Forest Water District – Evergreen, CO District Website – Come check us out:

Come checkout our District website at www.brookforestwater.org. We post lots of publications that you will find helpful. Our Board minutes, Operator’s reports, financial statement audits are just a few documents you will find.

In addition, on the home page you will find our meeting agenda’s, the current rates and any water shut off announcements. You will find the link to our online bill payment link on our homepage as well.

Online Bill Payment Option:

There has been a lot of interest by our customers for the District to offer an online bill payment option. With the increase in late payment fees that began July 1, 2015, we began to offer online bill payment through our website approximately August 1, 2015. There will be a \$2.50 convenience fee that the customer will have to incur if you wish to pay online rather than to pay by check. The \$2.50 fee seems a lot less than getting assessed \$20 for late payment of your quarterly invoice.

Please note, you can now set up an account through the online billing service and set your payment to recur on a quarterly/monthly basis and not have to keep logging in every time you want to make a payment.

Late Fee and Rate Reminder:

Please be advised, at the June 2015 Board meeting the Board of Directors approved an increase in certain rates (see attached "Appendix A" of the District Rules and Regulations). The quarterly Water Service Charges (\$120) and Readiness-to-Serve fees (\$60) will remain the same, however please note the main change to the rates is how the **Late Fees** will be charged. Currently the cost of paying your quarterly invoice after the first 30 days of it being mailed to you is only a 1% monthly fee; however, beginning **JULY 1, 2015**, if a payment is made after the first month a \$20 late fee will be assessed and invoiced. If a quarterly invoice is not paid after an additional 30 days, a \$30 additional fee will be assessed and invoiced. If a payment is 90 days delinquent your water will be shut off and additional fees will be assessed.

Please review "Appendix A" and if you have any billing questions please call our offices anytime. The new rate structure has been put into place because of the number of outstanding customer account balances and late payment on customer accounts that the District has been experiencing.

Please pay your invoices on time to avoid late fees or a possible water shut off.

District Board Meetings:

Board meetings are always open to the public. They are held the 2nd Tuesday of the month at 7pm and are held at the library of Buffalo Park Church of the Hills, 28628 Buffalo Park Rd., Evergreen, CO 80439.

Thank you,

The Board of Directors,

Bill Weisenborn, President
Tony Langowski, Vice President
Dave Pellegrini, Treasurer
Ilse Ramsey
Bruce Nicklow