

NEWS RELEASE



Southern Platte Fire Protection District
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“No Tax Increase” Bond Issue – Questions Answered

On April 3rd Southern Platte Fire Protection District is asking tax-payers to allow the Board of Directors to issue general obligation bonds in an amount not to exceed \$10,000,000 for the purpose of providing funds to acquire equipment and acquire, equip and improve buildings and facilities for the District.

Question: Is this a refinancing of the old bonds or additional debit?

Answer: This is a new issuance of bonds, as the past debit is to be paid off with only one remaining principal payment. The citizens had previously approved a bond issue in 1999 and authorized the Board of Directors to issue general obligation bonds. The Board has continued to pay the bonds back as they had pledged, and their intention is to pay this off early. This election is for approval to issue new bonds and not a refinancing of the present bonds or adding additional debit. If approved, it will be a continuation of debit.

Question: What will this cost me as a tax-payer?

Answer: Fire District Board of Directors continues to be good stewards with your taxes. In December 2013 the Board refinanced the remaining bond payments with a lower interest rate: net effect was savings to the citizens of \$103,359. Over the last 18 years, the average debt tax rate has been \$.0968 per \$100 assessed valuation. With the current economic conditions, the tax rate is projected to be lower. Based on a \$250,000 home the rate is estimated to be approximately less than \$25 annually.

Question: Are there excess funds within the District that can cover these needed expenses?

Answer: The Fire District has a revolving 5-year Capital Improvement Plan (CIP) that is broken into four categories; Apparatus Replacement, Building Improvements, Communications Equipment and Emergency. As expenses have continued to increase, the District has been only able to fund this plan with approximately 1-2% from the general operating revenue, each year over the last 5-years. Ideally a 5-10% funding revenue would have funded these categories at higher amounts. The CIP will allow the continuation of funding of those categories and the “no-tax” increase election is being used for one-time capital improvements. An example: The Fire District is in the process for a replacement 100’ ladder truck. A new one, comparable with an exact replacement, will cost approximately \$1,200,000. These funds are allocated within the CIP as the expenditure replacement.

Question: As the District and area has continued to grow at a high rate, why wouldn't this growth continue to assist in maintaining the tax base while increasing the revenue to assist in providing additional services?

Answer: The Fire District has continued to add services and programs each year that provides the community with a more enriched and safer community, when it comes to emergency medical service and fire services. Over the last 5-years the total assessed valuation of the community grew on an average of 3.01% and for the last 10-years at only 2.4%. Unfortunately, under the Constitution of Missouri, Hancock Amendment, the amount of tax collected has a limitation imposed on it to not exceed all of Missouri taxpayers' increase in personal income. Therefore, even though the growth continues, the revenues have not been able to stay at the same, due to the Amendment. During the last 5-years, the District has been affected by the Amendment 3 different time, with a reduction of the tax rate.

Thus, the District continues to look for other sources to assist the District and taxpayers at the same time. An example: With all the continued work and increased services to the community, the District was recently able to possibly reduce most taxpayer's homeowners' insurance premiums. See <http://www.spfpd.com/spfpd/2018ISO.pdf> for further information. The Fire District also continues to apply for both federal and private grants. For the most recent awarded grant awarded to Southern Platte Fire Protection District see <http://www.spfpd.com/spfpd/2018DataAnalyticsGrant.pdf> .

Question: Shall the Southern Platte Fire Protection District of Platte County, Missouri issue its general obligation bonds in an amount not to exceed \$10,000,000 for the purpose of acquiring equipment and acquiring, furnishing and improving buildings and facilities of the District including, without limitation, purchasing fire trucks, medical and rescue equipment, breathing apparatus and communication equipment, and acquiring, improving, furnishing and equipping fire stations and training facilities?

Budget: Expansion/Remodel Station #61 (18 y/o) & Cancer Prevention Equipment - \$2,300,000
Land Purchase #61 - \$250,000
Breathing Apparatus Standard (entire department) - \$300,000
Cancer Prevention Equipment & Refurb/Addition Station #63 (31 y/o)- \$1,000,000
Miscellaneous Special Apparatus/Equipment - \$150,000
Future Station #65 with land - \$6,000,000

Bond Rate: Projected to stay between \$.0550 -.07 per \$100 assessed valuation, based on the current economic conditions.

Station #61 Remodel/Addition: 1st and East Street, Parkville

Station #63 Remodel/Addition: 10811 NW 45 Highway, Parkville

Fire District Board President Nelson Hopper stated, "With the conclusion of the present bonds that were issued almost 20-years ago, if this question is approved, the District will be able to continue superior service to the community while actually lowering the average debt service tax rates. This is projected based on the current economic climate. The Board of Directors has worked very hard at ensuring good stewardship of the taxpayers' dollars."

The Southern Platte Fire Protection District's four stations provide fire suppression, inspections, emergency medical assistance, hazardous-materials response, and public education for more than 38,000 citizens in Platte County, MO. The Southern Platte Fire Protection District, which includes Parkville, Weatherby Lake, and Farley, is one of the fastest-growing areas in the Kansas City metropolitan area. In addition to serving its own District, the department provides automatic-aid assistance to the Kansas City Fire Department and Riverside Public Safety.

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