

Kneeland Fire Protection District

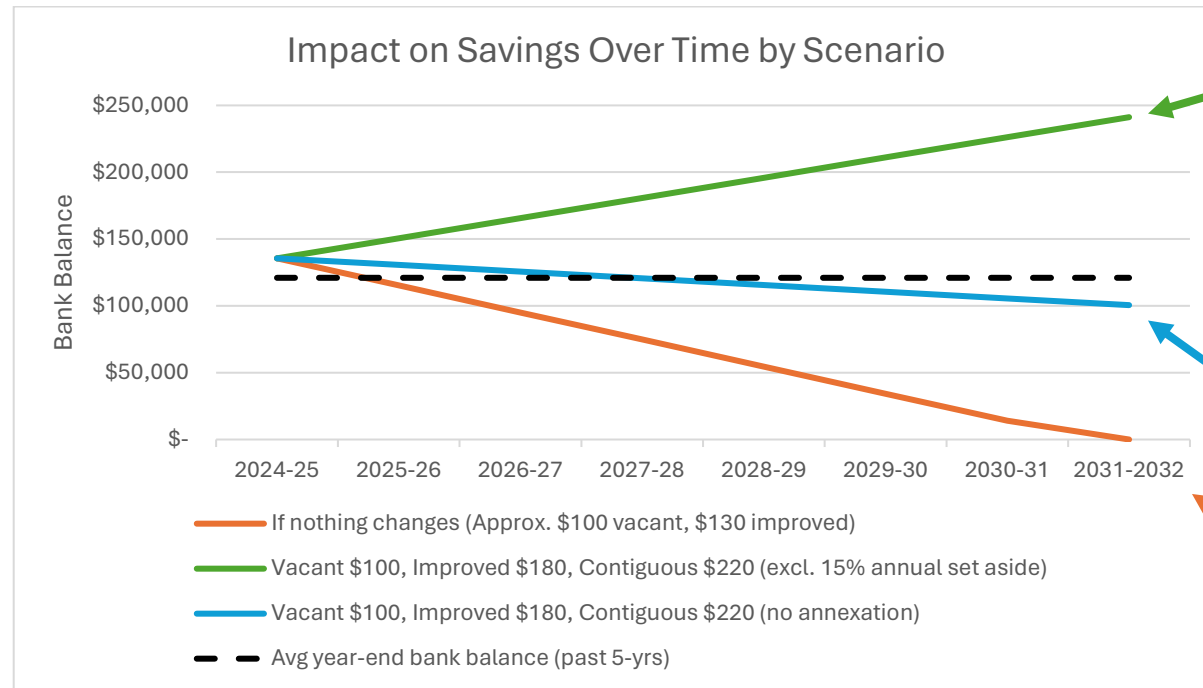
Proposed Ballot Measure for a New Special Tax

Kneeland Fire has not approached the voters in over ten years since our last special tax was passed. Since that time, we have built the Kneeland Fire House, replaced our aging fleet of engines and further professionalized the department. In order to maintain and build on this success we are proposing a new special tax that will repeal and replace our existing tax. Furthermore, as part of our long-term goals, Kneeland Fire intends to annex our Goodwill Response Area (GRA). The GRA is an area that Kneeland has historically responded to throughout our history. Annexation of this historical response area is part of our broader strategy to formalize our response area and stabilize revenues for the continued success of Kneeland Fire. Securing the new special tax as well as annexation of our Goodwill Response Area would provide for the most stable, secure revenue stream the Department has had since its formation.

Element	Existing special tax	Proposed new special tax	Why are these proposed changes to the tax important?
Structure of the tax(es)	Currently comprised of two special taxes: Measure D approved as a part of District formation in 1990; and Measure L, approved by the voters in 2014	A single tax that would simplify the rate structure overall but expand the tax structure to include commercial and multi-unit properties. The measure would also include an exemption for vacant contiguous parcels under identical ownership. If passed it would repeal and replace the existing taxes.	<ul style="list-style-type: none"> • Administration of the tax will be much simpler. • It will accommodate potential future use-types such as commercial and multi-unit properties. • It will provide a contiguous parcel exemption which better aligns with certain ownership patterns.
Amount the tax(es) generate	~\$ 45,000	~\$ 58,000	If annexation is successful this amount will increase to approximately \$97,000.
Can the taxes be increased?	No. However the board may elect to increase the tax by 1% per year.	No. However the board may elect to increase the tax by 3% per year.	The cost of compliance and equipment replacement continue to rise. The cost of specialized emergency and fire equipment tends to increase in cost faster than standard inflation. Allowing the tax to be increased on pace with standard inflation is an important security for Kneeland Fire.
Use of tax funds	Currently used for basic operations.	If annexation is successful the new tax will provide a level of secure funding that allows Kneeland Fire to continue to fund operations while also building on previous successes to expand facilities and overall capacity in the District (see below).	If the new special tax is not approved the District will need to begin implementing cost-saving measures and may need to reduce services.

What is the tax amount?	Existing special tax	Proposed new special tax	
For Vacant	\$ 96	\$ 100	Note: nontaxable lands are exempt from special taxes. The proposed rate schedule also includes: Commercial=\$300 and Multi-Family=\$250.
For TPZ* Vacant	\$ 66	\$ 100	
For Improved	\$ 128	\$ 180	
For vacant contiguous parcels under same ownership	-	\$ 220	

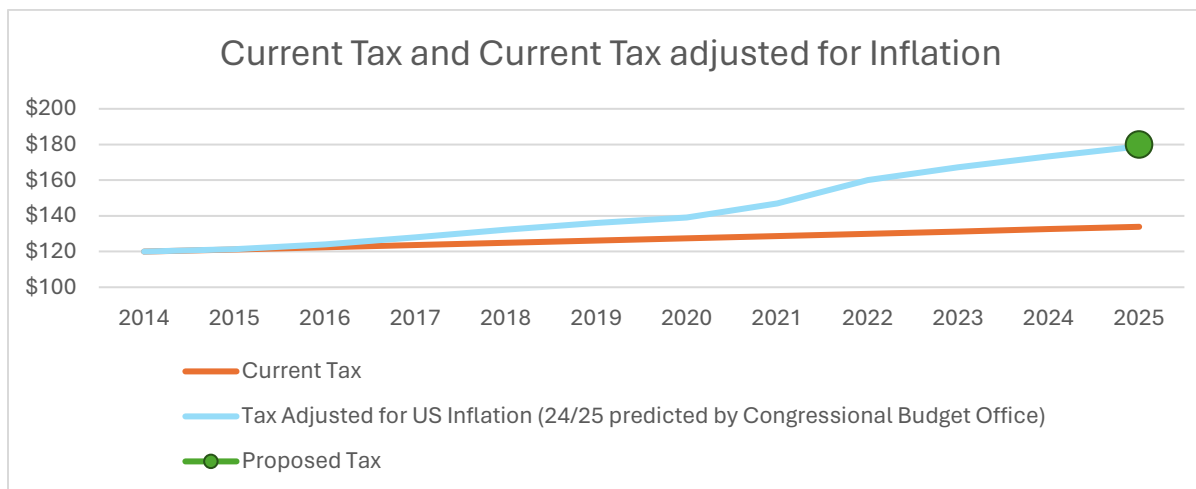
* Lands zoned by Humboldt County as, "Timber Production Zone".



This represents the estimated increase in savings over time with the proposed special tax and successful annexation but excludes 15% of tax revenues which could be set aside to address periodic larger investments such as equipment replacement and fire house expansion. The proposed special tax best positions Kneeland Fire to continue high quality services, and to respond to unforeseen and planned longer-term investments.

Should annexation efforts fail, Kneeland Fire will need to evaluate a reduction in services to avoid continued losses over time.

Should the special tax measure an annexation fail, Kneeland Fire will be poorly positioned to continue services.



The current tax is currently ~ \$130 for improved parcels. Had the tax been increased on pace with U.S. inflation, the rate would be \$179 in 2025. The tax currently proposed for improved parcels is \$180.

HOW WILL TAX REVENUES BE USED?

Kneeland Fire will report annually on the special tax revenues and expenses as part of the broader year-end fiscal review. This information will be made available to the public. Special tax revenues will make the following expenditures possible:

Operationally:

- Ensure our volunteers have the equipment and training they need in the face of increasing costs,
- Better ensure Kneeland Fire's ability to respond to unforeseen equipment and operations costs,
- Enable Kneeland Fire to maintain compliance with changing rules and regulations that apply to fire departments.

As Funds Allow:

While we will continue to seek grants and partnerships, looking to the future, Kneeland Fire has many aspirations we would like to achieve by the end of this decade. Securing the new special tax as well as annexation of our Goodwill Response Area would provide for the most stable, secure revenue stream the Department has had since its formation. With this level of funding and security Kneeland Fire could pursue more of our long-term goals. The most significant achievements we hope to attain include the following:

- Expand the fire house to include bathrooms, a kitchen and turnout washers (necessitating a septic system),
- Develop the capacity for the fire house to act as an emergency response center in the event of a natural disaster or other widespread emergency,
- Develop collaborations and secure more funding to support community implementation of fuels reduction and fire prevention activities,
- Purchase a Type III engine to support wildland fire response in the more rugged parts of our response area and, most importantly,
- Pursue strategies that will ensure a long-term community-based and locally controlled revenue source to support the sustainable delivery of fire protection services for the entire Kneeland response area.