

## **DISTRICT BOUNDARY CHANGE IMPACT STATEMENT FOR THE CIRCLE CITY MORRISTOWN FIRE DISTRICT**

**Pursuant to the provisions of section 48-262 A.R.S., the undersigned submit the following District Boundary Change Impact Statement for the proposed boundary change of the Circle City Morristown Fire District.**

### **A. DESCRIPTION OF BOUNDARIES:**

1. Attached to this statement as Exhibit A is a description of the boundaries for the proposed change.
2. Also attached to this statement as Exhibit B is a detailed accurate map of the area to be included in the proposed change.

### **B. ESTIMATE OF ASSESSED VALUATION:**

The estimated net secondary valuation within Area A of the proposed boundary change is \$873,232. The estimated net secondary valuation within Area B of the proposed boundary change is \$18,267.

### **C. CHANGE IN TAX RATE:**

The current economic challenges in Arizona have created a significant reduction in the value of real property. Fire districts, such as the District are entirely funded by property tax collections. As a consequence of the decline in property values the District has had to increase its property tax rate in order to maintain its existing level of service. In FY 11 the District collected \$378,723 in property taxes at a tax rate of \$3.25. For FY 12 the District intends to maintain its tax rate at \$3.25. With the addition of the parcels proposed for annexation the funds collected by the District will move to \$407,695.

### **D. PROPERTY TAX LIABILITY:**

1. The median secondary assessed valuation of a property already in the District is \$4421.00. As a result of the proposed boundary change, the change in the property tax liability of a typical resident within the current District, NOT in the proposed boundary change area, is as follows:
  - (a) BEFORE the proposed boundary change, a property with the median secondary assessed value of \$4421.00 would have a tax liability of \$143.68 per year.
  - (b) AFTER the proposed boundary change, a property with the median secondary assessed value of \$4421.00 would have a tax liability of \$143.68 per year. There is no change to the taxes paid by an existing district resident..
2. The median secondary assessed valuation of a property in Area A proposed to be annexed is \$16,640.00. As a result of the proposed boundary change, the change in the property tax liability of a median property IN the Area A proposed boundary change area is as follows:

- (a) BEFORE the proposed boundary change, a property with the median secondary assessed value of \$16,640.00 would have a fire district tax liability of \$0.00 per year.
- (b) AFTER the proposed boundary change, a property with the median secondary assessed value of \$16,640.00 would begin to pay fire district tax in the amount of \$540.80 per year.

The median secondary assessed valuation of a property in Area B proposed to be annexed is \$3653.00. As a result of the proposed boundary change, the change in the property tax liability of a median property IN the Area B proposed boundary change area is as follows:

- (a) BEFORE the proposed boundary change, a property with the median secondary assessed value \$3653.00 would have a fire district tax liability of \$0.00 per year.
- (b) AFTER the proposed boundary change, a property with the median secondary assessed value of \$3653.00 would begin to pay fire district tax in the amount of \$118.72 per year.

**E. BENEFITS TO BE DERIVED FROM THE PROPOSED BOUNDARY CHANGE:**

1. As a result of the proposed boundary change, the following benefits would be provided to the residents of the proposed change area:
  - (a) There would be increased fire suppression resources in the proposed change area from the existing Fire District which surrounds the proposed boundary change area. The District currently staffs and equips two stations which provide fire suppression and emergency medical services.
  - (b) Residents would be allowed to participate in elections of the fire board members and therefore have a voice in the type and manner of fire protection provided.
  - (c) Residents would be part of the governmental body and would be entitled to all the provisions afforded residents of a fire district as required by Arizona Revised Statutes.
  - (d) Annexation into the Circle City Morrystown Fire District would provide fire protection services that may result in a lower commercial and residential fire insurance rate. The rating could result in substantially lowered costs for fire insurance premiums for all residents and businesses in the area.
  
2. As a result of the proposed boundary change, the following benefits would be provided to the residents within the existing District:
  - (a) The tax base of the Circle City Morrystown Fire District would increase by \$891,499.00.
  - (b) Residents would receive direct benefit from the additional tax base.
  - (c) This would result in a broader tax base allowing for additional revenues to be used to fund fire and emergency medical services.

F. INJURIES RESULTING FROM THE PROPOSED BOUNDARY CHANGE:

1. As a result of the proposed annexation into the Circle City Morristown Fire District, some of the injuries to the residents of the proposed change area that will result are as follows:

- (a) The residents and property owners in the annexed area would be subject to the fire district taxes assessed by the Circle City Morristown Fire District.
- (b) The Circle City Morristown Fire District is a governmental entity that could be subjected to potential liability during the performance of its functions. Should this occur, the tax rate of the Circle City Morristown Fire District might have to be increased to pay for any such liabilities incurred by the District. The Circle City Morristown Fire District maintains liability insurance in an amount believed to be adequate and the Board believes the likelihood of a tax increase due to this type of liability would be extremely remote.

By:

\_\_\_\_\_

Date:

\_\_\_\_\_

Owner of the Property Located at:

\_\_\_\_\_

## **EXHIBIT A**

### **LEGAL DESCRIPTION OF AREA “A” PROPOSED TO BE ANNEXED BY CIRCLE CITY/MORRISTOWN FIRE DISTRICT**

**THOSE** portions of the following described Townships, Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Parcel 1: Township 7 North, Range 4 West to include Section 22 through Section 27; Section 34, except the southwest quarter of the southwest quarter of the southwest quarter of said Section; Section 35.

### **LEGAL DESCRIPTION OF AREA “B” PROPOSED TO BE ANNEXED BY CIRCLE CITY/MORRISTOWN FIRE DISTRICT**

**THOSE** portions of the following described Townships, Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Parcel 1: Township 6 North, Range 2 West to include a portion of Section 7 described as follows:

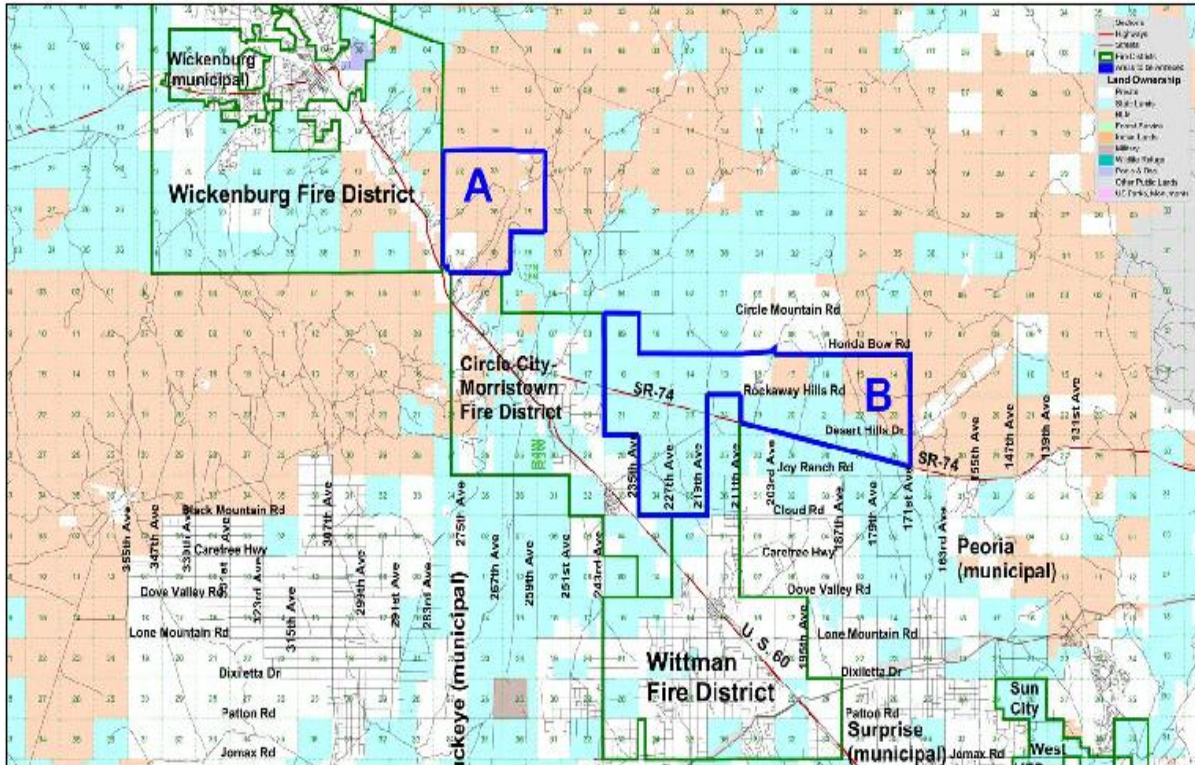
Beginning at the southwest corner of Section 7, thence north 347 feet, thence east 4,501.22 feet, thence N 65° 37' 03" E 718.13 feet to the east line of Section 7, thence south 647.3 feet to the southeast corner of Section 7, thence west 5,164 feet (approximately) to the southwest corner of Section 7 and the Point of Beginning.

To also include Section 14 through Section 18; Sections 19 and 20, except those portions lying south of the south right-of-way line of State Route 74; Sections 21 through 23; Sections 26 through 29, except those portions lying south of the south right-of-way line of State Route 74.

Parcel 2: Township 6 North, Range 3 West to include Section 9; Section 13 through Section 16; Section 21 through Section 23; Section 26; Section 27; Section 34; Section 35.

Annexation Area A and B Legal Description 05-16-12

# EXHIBIT B DETAILED ACCURATE MAP OF THE AREA PROPOSED TO BE ANNEXED



**EXHIBIT C**  
**DESCRIPTION OF EXISTING CIRCLE CITY/MORRISTOWN FIRE DISTRICT**

THOSE portions of the of the following described Townships, Gila and Salt River Meridian, Maricopa County, Arizona, described as follows:

PARCEL 1: Township 6 North, Range 3 West to include Section 7; Section 8; Section 17 through Section 20; Section 28 through Section 30; Section 32 and Section 33.

PARCEL 2: Township 6 North, Range 4 West to include Section 2; Section 3 East 1/2; Section 10 East 1/2; Section 11 through Section 14; Section 15 East 1/2; Section 22 East 1/2; Section 23 through Section 26; and Section 27 East E 1/2.

PARCEL 3: Township 5 North, Range 3 West to include Section 3; Section 4; and Section 10