HIGHLANDS COUNTY BOARD OF COUNTY COMMISSIONERS
Tuesday, June 04, 2024
9:15 AM
600 S. Commerce Ave. Sebring, FL 33870
AGENDA

1 ADDENDUM TO THE REGULAR AGENDA OF THE HIGHLANDS COUNTY BOARD OF COUNTY COMMISSIONERS

2 REGULAR SESSION BEGINS AT 9:00 A.M.

11. ACTION

11. E. Request for reconsideration of maximum rate set for Fire Assessment.
James K. Duppenthaler, Interim Fire Chief
The fiscal impact is dependent on future Board of County Commissioner's decision.
Highlands County Fire Rescue Fire Assessment Discussion.pptx

HIGHLANDS COUNTY
COUNTY COMMISSION AGENDA ITEM

DATE OF ACTION REQUEST: June 4, 2024

PRESENTER: **James K. Duppenthaler, Interim Fire Chief**

SUBJECT/TITLE: **11. E. Request for reconsideration of maximum rate set for Fire Assessment.**

STATEMENT OF ISSUE

Highlands County Fire Rescue seeks to continued further discussion as related to the establishment of the Fire Assessment maximum rates. The board's previous decision perceivably addresses the immediate needs of Highlands County Fire Rescue but does not allow for continued sustainability. Currently budgeting is proximal to the maximum rates and thus lacking the ability for future funding.
I am requesting that the Highlands County Board of County Commissioners reestablish the maximum Fire Operations rate of 100% while retaining the approved capital established at the 80% maximum rate.

RECOMMENDED ACTION

Move to repeal the previous established maximum rate of Fire Operations (83.93%) and establish a new maximum rate of 100% while retaining the approved capital established at the 80% maximum.

FISCAL IMPACT

The fiscal impact is dependent on future Board of County Commissioner's decision.

Attachments: Highlands County Fire Rescue Fire Assessment Discussion.pptx

HIGHLANDS COUNTY FIRE RESCUE FIRE ASSESSMENT DISCUSSION

Agenda

Introduction

Acknowledgements

Review previous meeting decisions

Communique'

Highlands County Fire Rescue Recommendations

Forum Discussions

Thank you

The Establishment of Fire Assessments Is Never An Easy Task.

Fire Operations	
Proposed Max	
$8,918,374.94	
50.00%	$4,459,187.47
55.00%	$4,905,106.22
60.00%	$5,351,024.97
65.00%	$5,796,943.71
70.00%	$6,242,862.46
75.00%	$6,688,781.21
80.00%	$7,134,699.95
83.93%	$7,485,192.09
85.00%	$7,580,618.70
86.96%	*$7,755,596.00*
87.50%	$7,803,578.07
90.00%	$8,026,537.45
92.50%	$8,249,496.82
95.00%	$8,472,456.20
97.50%	$8,695,415.57
100.00%	$8,918,374.94
106.02%	*$9,455,463.00*
	$615,930.00
99.12%	$8,839,533.00

Captial	
Proposed Max	
$3,341,154	
50.00%	$1,670,577.00
55.00%	$1,837,634.70
60.00%	$2,004,692.40
65.00%	$2,171,750.10
70.00%	$2,338,807.80
75.00%	$2,505,865.50
80.00%	$2,672,923.20
85.00%	$2,839,980.90
87.50%	$2,923,509.75
90.00%	$3,007,038.60
92.50%	$3,090,567.45
90.50%	$3,023,744.37
97.50%	$3,257,625.15
100.00%	$3,341,154.00

FIRE ASSESSMENT FUNDING COMPONENTS – MAXIMUM RATES

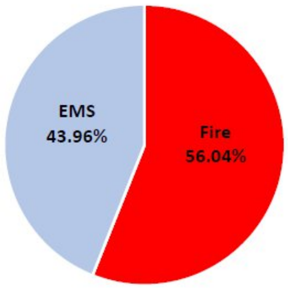
Fire Operations

Rate Scenarios			Proposed Max		
$10,625,968			*$8,918,374.94*		
50%	$5,312,984.00		50.00%	$4,459,187.47	
55%	$5,844,282.40		55.00%	$4,905,106.22	
60%	$6,375,580.80		60.00%	$5,351,024.97	
65%	$6,906,879.20		65.00%	$5,796,943.71	
70%	$7,438,177.60		70.00%	$6,242,862.46	
75%	$7,969,476.00		75.00%	$6,688,781.21	
80%	$8,500,774.40		80.00%	$7,134,699.95	
83.93%	$8,918,374.94		83.93%	$7,485,192.09	
85%	$9,032,072.80		85.00%	$7,580,618.70	
90.00%	$9,563,371.20		86.96%	*$7,755,596.00*	*23/24 Budget (includes $455,876 form fund 181 reserve)*
95%	$10,094,669.60		87.50%	$7,803,578.07	
100%	$10,625,968.00		90.00%	$8,026,537.45	
			92.50%	$8,249,496.82	
			95.00%	$8,472,456.20	
			97.50%	$8,695,415.57	
			100.00%	$8,918,374.94	
			106.02%	*$9,455,463.00*	24-25 Budget
				$615,930.00	capital reduction
			99.12%	$8,839,533.00	(13.98% increase)

5-YEAR AVERAGE ASSESSABLE BUDGET

ANSER ADVISORY

- Start with FY 2023-24 Adopted Budget
  - Split between Fire and EMS* to determine assessable expenditures
- Applied 3% annual increase
- Revenues used to reduce expenditures
- Included Miscellaneous Assessment Expenditures
  - Statutory discount
  - Collection costs
- Total Net Assessable Expenditures
- **Total 5-Year Average Assessable Costs**
  - **No Capital -- $10,625,968**
  - **Option 1 Capital -- $15,647,392**
    - 15 Year Apparatus, 5 Year Staff
  - **Option 2 Capital – $14,802,410**
    - 20 Year Apparatus, 8 Year Staff
  - **Option 3 Capital -- $13,271,180**
    - 25 Year Apparatus, 10 Year Staff



* In June 2000, in the case of SMM Properties, Inc. v. City of North Lauderdale, the Fourth District Court of Appeals concluded that EMS did not provide a special benefit to property; however, it reaffirmed that fire suppression, fire prevention, fire/building inspections and first response medical services do provide a special benefit to property. Methodology was upheld by the 4th DCA in Desiderio Corporation, et al. vs. The City of Boynton Beach, Florida, et al., 39 So.3d 487(Fla. 4th DCA Jan. 2010).

6

5105 – Emergency Medical Services (User Fee)

Revenue generated by:

The collection of user fees.

+

Subsidy from general fund

=

True operational cost

3217 – Fire Assessment (Non-AD Valorem)

Revenue generated by:

The collection of Non-AD Valorem

≠

True operational cost

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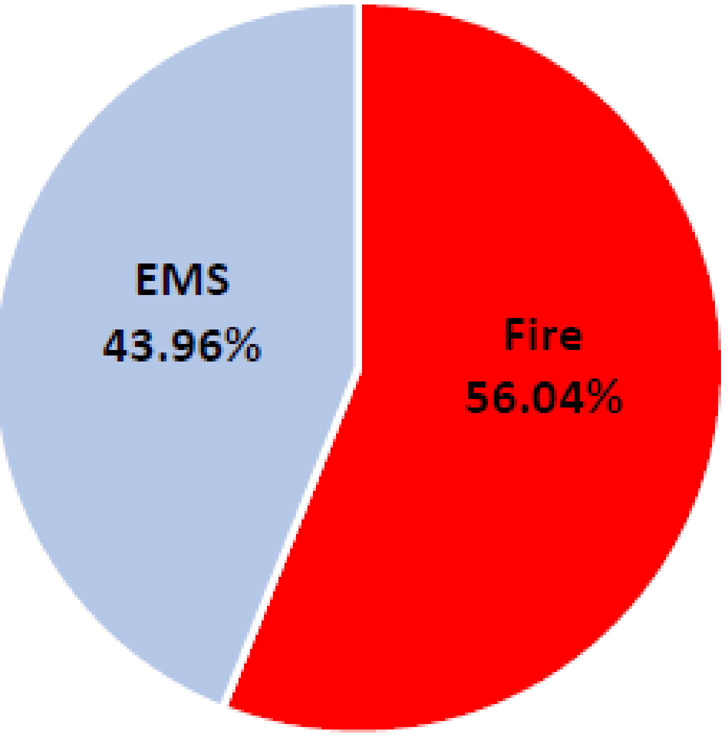


CONSIDERATIONS

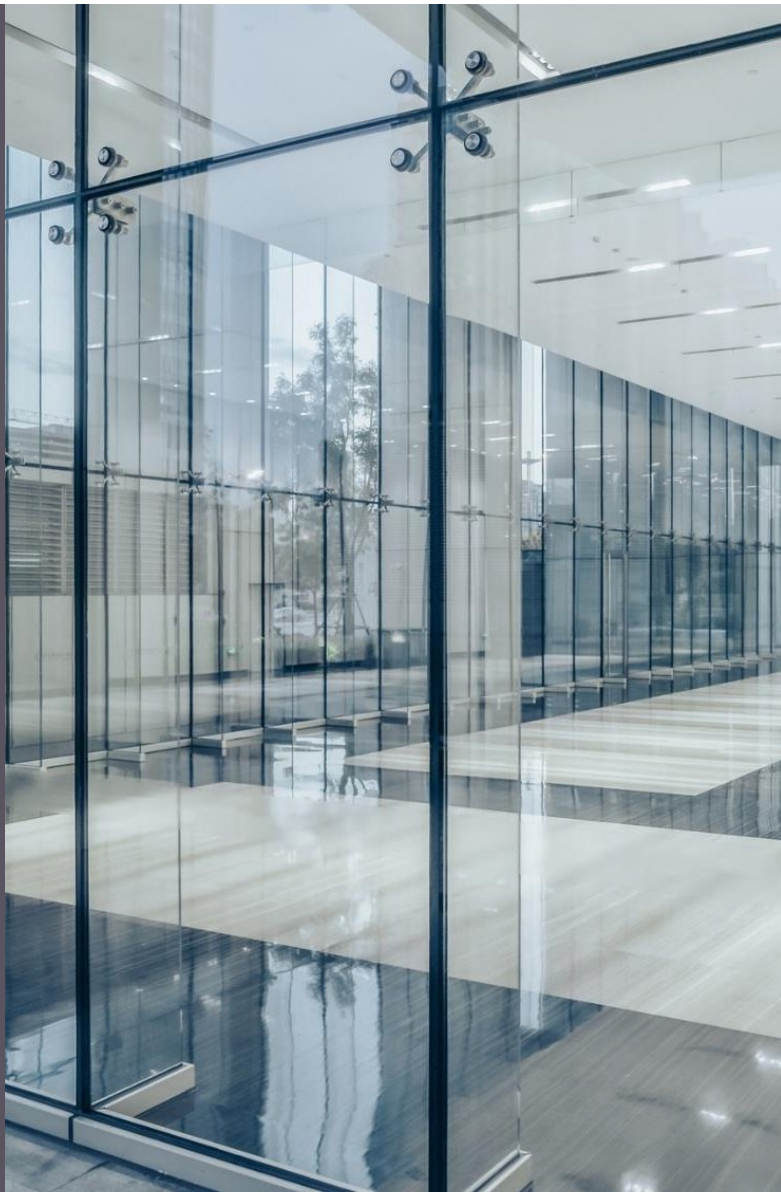
- Uncontrollable Factor
- *Flipped cost associated with EMS and Fire splits*
- Controllable Factor
- *Additional Rescue Unit*

ADDITIONAL BUDGET CONSIDERATIONS

23-24 Budget 13.98% over budget

- Short term yearly growth trend – 9.39%
- Long term growth trend – 11.68%

THE POWER OF COMMUNICATION



Highlands County Fire Rescue Recommendation:

The Highlands County Board of County Commissioners reestablish the maximum Fire Operations rate of 100% while retaining the approved capital established at the 80% maximum rate.

QUESTIONS

THANK YOU

J. Kelly Duppenthaler

Highlands County Interim Fire Chief