

A. Funding Options for Fire and Rescue Service Contracts FY 19

- ❑ During the budget workshop Commissioners considered the fire department funding requests
- ❑ Staff was directed to prepare funding options that may be available for implementation for FY 19 to fund those requests with the time constraint to implement for July 1.
- ❑ Funding the full budget requests by district results in fire tax ranges of 5.44 cents to 22.19 cents which is a direct result of the large variance in tax base throughout the districts
- ❑ To implement, Commissioners would adopt tax rates by district as shown in the chart as the District Fire Funding Method
- ❑ An increase in the tax rate is reflected for all 5 districts and ranges from 20 cents to 9.49 cents

A. Funding Options for Fire and Rescue Service Contracts FY 19

By District with full needs funded by each district:

- ❑ Funding the full budget requests by district results in fire tax ranges of 5.44 cents to 22.19 cents which is a direct result of the large variance in tax base throughout the districts
- ❑ To implement, Commissioners would adopt tax rates by district as shown in the chart as the District Fire Funding Method
- ❑ An increase in the tax rate is reflected for 5 districts and ranges from .20 cents to 9.49 cents

Fire District Tax Rates by different methods

District	Budget Request	Current Fire Tax Rate	District Fire Funding Method Rate*	Reserve Est addition with 99.9% collection*	NET TAX IMPACT Set district rates at 5.44 cent Supplement out of General Fund**
City of Brevard Residents	None (City Budget)	City Tax only	City Tax only	NA	City Tax + 1.985 cents
Brevard/Sylvan Valley II	\$480,000	5.5 cents	5.5 cents	\$1,908	7.425 cents
Rosman	\$554,125	11.59 cents	12.09 cents	\$1,002	7.425 cents
Little River	\$457,230	9.11 cents	9.06 cents	\$1,103	7.425 cents
Connestee	\$782,258	7.67 cents	8.33 cents	\$2,054	7.425 cents
Cedar Mountain	\$193,100	13.78 cents	13.76 cents	\$306	7.425 cents
Lake Toxaway	\$892,786	4.79 cents	5.44 cents	\$3,587	7.425 cents
Balsam Grove	\$100,207	10.98 cents	11.18 cents	\$195	7.425 cents
North Trans.	\$276,655	12.70 cents	22.19 cents	\$272	7.425 cents

A. Funding Options for Fire and Rescue Service Contracts FY 19

District Funding with a floor tax

- ❑ One alternative for FY 19 implementation would be to set a floor district tax rate
- ❑ Floor tax rate would set all district rates to the lowest rate at 5.44 cents
- ❑ The remaining dollars required to fund the fire departments would be levied through the general fund and the funds would be allocated to each district based on their approved budgets
- ❑ Funds collected over the presumed tax collection rate of 99.5% would go into reserve
- ❑ This method would create the same tax rate for each district and apply a countywide tax increase of 1.985 cents
- ❑ Net impact reflects tax increase for 2 districts and the City of Brevard of 1.925 cents to 1.985 cents and a decrease for 6 districts of .245 cents to 6.355 cents

Fire District Tax Rates by different methods

		"Full funding by district"			"Floor District Tax"
District	Budget Request	Current Fire Tax Rate	District Fire Funding Method Rate*	Reserve Est addition with 99.9% collection*	NET TAX IMPACT Set district rates at 5.44 cent Supplement out of General Fund**
City of Brevard Residents	None (City Budget)	City Tax only	City Tax only	NA	City Tax + 1.985 cents
Brevard/Sylvan Valley II	\$480,000	5.5 cents	5.5 cents	\$1,908	7.425 cents
Rosman	\$554,125	11.59 cents	12.09 cents	\$1,002	7.425 cents
Little River	\$457,230	9.11 cents	9.06 cents	\$1,103	7.425 cents
Connestee	\$782,258	7.67 cents	8.33 cents	\$2,054	7.425 cents
Cedar Mountain	\$193,100	13.78 cents	13.76 cents	\$306	7.425 cents
Lake Toxaway	\$892,786	4.79 cents	5.44 cents	\$3,587	7.425 cents
Balsam Grove	\$100,207	10.98 cents	11.18 cents	\$195	7.425 cents
North Trans.	\$276,655	12.70 cents	22.19 cents	\$272	7.425 cents

A. Funding Options for Fire and Rescue Service Contracts FY 19

District Funding with a tax cap

- ❑ A third approach is to set a ceiling or cap for each district
- ❑ Once a fire district budget exceeds the tax limit the remaining approved funds would be allocated from the general fund
- ❑ Setting the cap at 14 cents, a tax increase would be the net effect for all districts ranging from 0.128-1.478 cents due to a countywide tax of 0.178 cents to fund \$102,112 in approved budget items above the 14 cents cap
- ❑ To implement Commissioners would set the tax rate as shown in the second to last column in the chart on the next slide and then apply the general fund tax of 0.178 cents

A. Fire District Tax Rates by different methods

District	Budget Request	Current Fire Tax Rate	District Fire Funding Method Rate with cap*	NET TAX IMPACT Set district rates no higher than 14 cent Supplement out of General Fund**
City of Brevard Residents	None (City Budget)	City Tax only	City Tax only	City Tax + .178 cents
Brevard/Sylvan Valley II	\$480,000	5.5 cents	5.5 cents	5.678 cents
Rosman	\$554,125	11.59 cents	12.09 cents	12.268 cents
Little River	\$457,230	9.11 cents	9.06 cents	9.238 cents
Connestee	\$782,258	7.67 cents	8.33 cents	8.508 cents
Cedar Mountain	\$193,100	13.78 cents	13.76 cents	13.938 cents
Lake Toxaway	\$892,786	4.79 cents	5.44 cents	5.618 cents
Balsam Grove	\$100,207	10.98 cents	11.18 cents	11.358 cents
North Trans.	\$276,655	12.70 cents	14 cents	14.178 cents

Setting a cap district tax rate would then leave \$102,112 left to fund from countywide tax, or general fund. This would be the equivalent of levying an additional .178 cent tax rate

A. Funding Options for Fire and Rescue Service Contracts FY 19

- ❑ There are other statutory options available to Commissioners, but not for implementation in FY 19 due to notice requirements or because they require statutory authority changes at the State level (ie sales tax)
- ❑ Staff recommends Commissioners consider the options before them and direct staff so that the budget ordinance can reflect the option chosen by the Board and the tax rates can be set accordingly