



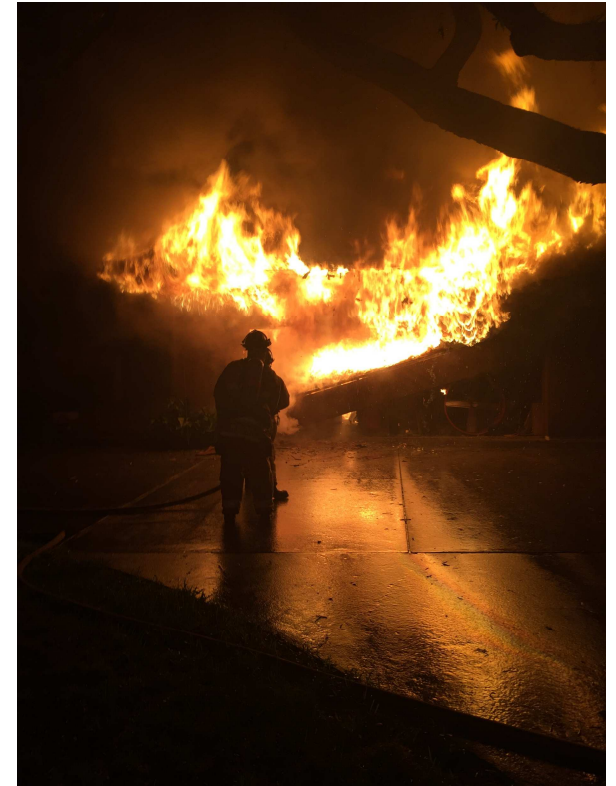
CITY OF OAKLAND PARK FIRE ASSESSMENT PROGRAM UPDATE

PROJECT STATUS

MAY 15, 2024

WHAT IS A FIRE ASSESSMENT?

- **A charge imposed against real property to pay for fire services provided by the local government.**
 - Fire services include:
 - Fire suppression
 - Hazmat response
 - Fire prevention
 - Emergency response and disaster preparedness
 - Fire safety education
 - Does not include EMS-type services above the level of first responder
 - Not a tax
- **Oakland Park's Fire Assessment Program began in FY 2001**



BACKGROUND

- **Case Law Requirements**
 1. Special benefit to property – fire services only
 2. Fair and reasonable apportionment among property classes
- **Court Approved Historical Demand Methodology**
 - Historical demand is the driving factor
 - Most widely adopted and prevalent methodology in the state

SUMMARY

- The weighted call demand for residential and industrial/warehouse properties has increased, commercial and institutional have decreased.
- The City's total assessable costs for Fire-Rescue have increased from \$7.75m in FY 21 to \$10.24m, a \$2.49m or 32% increase.
- Maintaining the historical recovery rate (91%) of assessable costs would result in a residential rate increase to \$402, an increase of \$126 (46%), and would generate approximately \$11.08m after exemptions, an estimated increase of \$3.35m.
- Assessable costs not funded through the fire assessment are funded through property tax and other legally available revenues.
- Potential option to reduce the exemption of institutional, tax-exempt properties from 100% exempt to 50% exempt.

CURRENT FIRE ASSESSMENT RATES

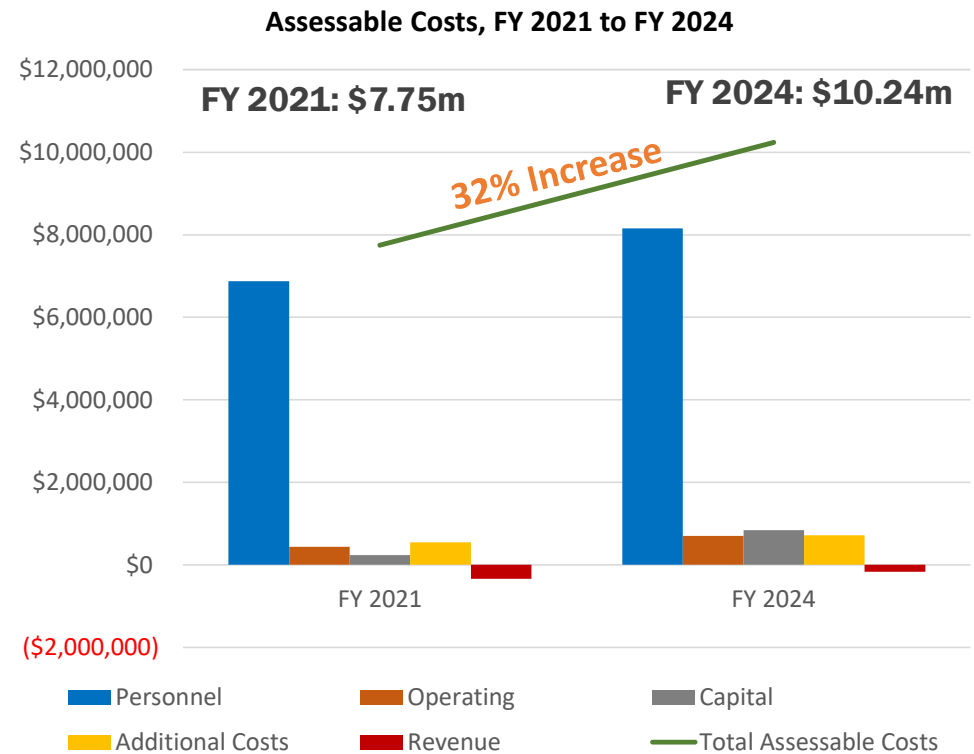
- **Last study implemented in 2021**
 - Increased residential from \$199 to \$251
 - Was 15th lowest in Broward County
 - Broward County average was \$305.92
 - Rates implemented at about 91% assessable costs – same as prior studies
- **FY 2024 rates**
 - Residential rate increased to \$276
 - Was 20th lowest in Broward County
 - Broward County average in last year was about \$350.25
- **Net Assessment Revenue is approximately \$7.73 million**

RESIDENTIAL PROPERTY USE				
CATEGORIES		Rate Per Dwelling Unit		
Residential		\$276		
NON-RESIDENTIAL PROPERTY USE		Industrial/		
CATEGORIES		Commercial	Warehouse	Institutional
≤ 1,999		\$405	\$47	\$674
2,000 - 3,499		\$810	\$94	\$1,347
3,500 - 4,999		\$1,416	\$164	\$2,357
5,000 - 9,999		\$2,023	\$234	\$3,367
10,000 - 19,999		\$4,046	\$467	\$6,733
20,000 - 29,999		\$8,091	\$933	\$13,466
30,000 - 39,999		\$12,137	\$1,400	\$20,198
40,000 - 49,999		\$16,182	\$1,866	\$26,931
50,000 - 59,999		\$20,228	\$2,333	\$33,664
60,000 - 69,999		\$24,273	\$2,799	\$40,396
70,000 - 79,999		\$28,319	\$3,266	\$47,129
80,000 - 89,999		\$32,364	\$3,732	\$53,862
90,000 - 99,999		\$36,410	\$4,199	\$60,594
≥ 100,000		\$40,455	\$4,665	\$67,327

Certified Revenue - \$7,734,681

ASSESSABLE COSTS FROM PRIOR STUDY **ANSER** ADVISORY

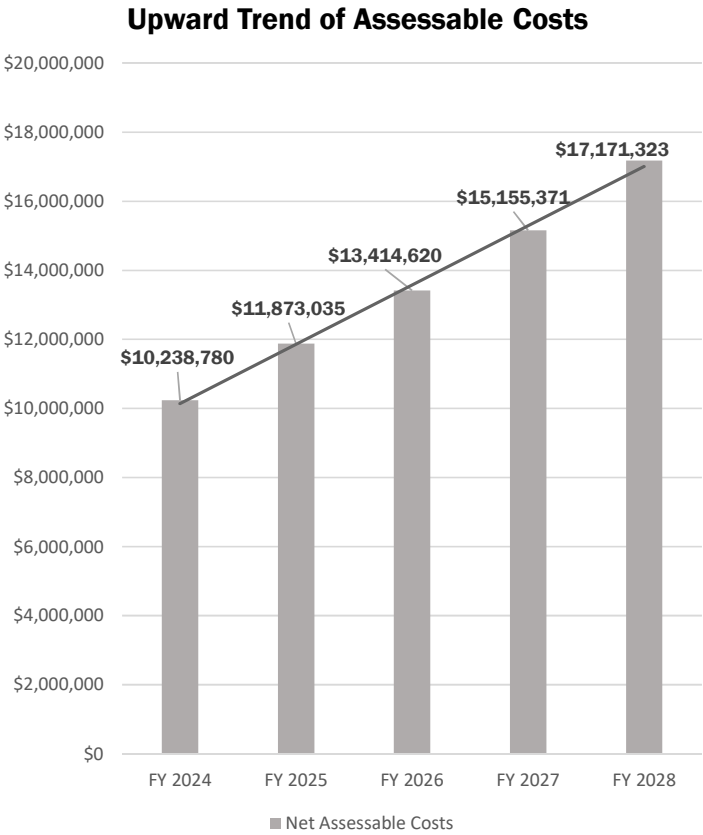
- Assessable costs exclude EMS and non-fire suppression costs
- Assessable Costs have increased from \$7.75m in FY 2021 to \$10.24m in FY2024 (32% or \$2.49m increase)
 - Personnel costs have increased by approx. 19%, or \$1.28m, due to increases in compensation and retirement benefits
 - Operating costs have increased by approx. 59%, or \$260k
 - Capital, including debt service, costs have increase by over double due to timing on apparatus
 - Decreases in offsetting revenues (grants)



ASSESSABLE COSTS

(Fiscal Year 2024 through 2028 & 5-Year Average)

Category	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	5-Yr Average
Personnel	\$8,151,071	\$9,739,741	\$11,108,307	\$12,693,506	\$14,532,957	\$11,245,116
Operating	\$699,609	\$734,589	\$771,319	\$809,885	\$850,379	\$773,156
Capital Outlay	\$73,000	\$58,824	\$61,765	\$64,853	\$68,096	\$65,307
Total Debt Service	\$765,916	\$660,298	\$693,313	\$693,313	\$693,313	\$722,376
Additional Costs	\$716,715	\$831,112	\$939,023	\$1,060,876	\$1,201,993	\$949,944
Gross Assessable Costs	\$10,406,310	\$12,024,564	\$13,573,726	\$15,322,432	\$17,346,737	\$13,755,900
Non-Assessment Revenues	\$167,529	\$151,529	\$159,106	\$167,061	\$175,414	\$164,128
Net Assessable Costs	\$10,238,780	\$11,873,035	\$13,414,620	\$15,155,371	\$17,171,323	\$13,591,772



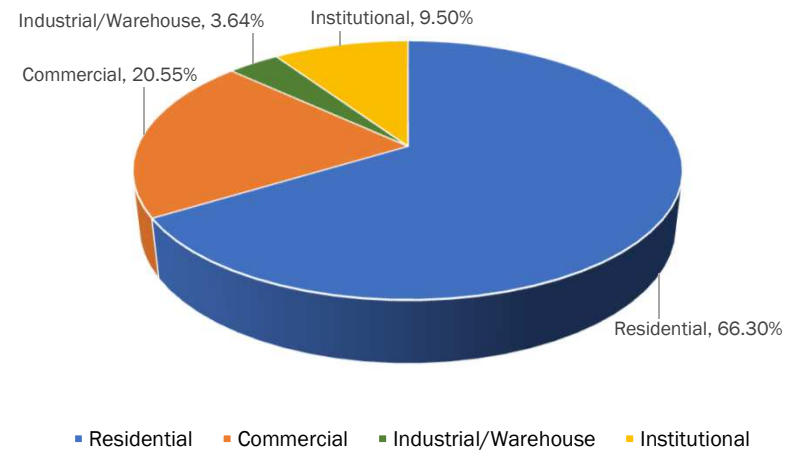
COST APPORTIONMENT

- Residential and Industrial/Warehouse demand has increased
- Commercial and Institutional demand has decreased

	Prior Study*		Current Updated Study		
	Number of Weighted Calls	Percentage of Weighted Calls	Number of Weighted Calls	Percentage of Weighted Calls	5-yr Average Assessable Cost Allocation
Residential	870.00	63.71%	1,135.00	66.30%	\$8,997,816
Commercial	297.68	21.80%	351.81	20.55%	\$2,789,018
Industrial/Warehouse	38.24	2.80%	62.39	3.64%	\$494,570
Institutional	159.70	11.69%	162.62	9.50%	\$1,289,222
Total	1,365.62	100.00%	1,711.82	100.00%	\$13,570,626

*Prior Study Data Included for Comparison Purposes Only

Weighted Call Data (FY 2022-23)



PRELIMINARY ASSESSMENT RATES

Maximum Assessment Rates* based on 100% of the 5-yr Average Assessable Budget

Residential Property Use Categories	Rate Per Dwelling Unit			
Dwelling Unit	\$441			
Non-Residential Property Use Categories	Building Classification (in square foot ranges)	Commercial	Industrial/ Warehouse	Institutional
	≤ 1,999	\$655	\$136	\$684
	2,000 - 3,499	\$1,310	\$271	\$1,367
	3,500 - 4,999	\$2,293	\$474	\$2,391
	5,000 - 9,999	\$3,275	\$677	\$3,416
	10,000 - 19,999	\$6,550	\$1,353	\$6,831
	20,000 - 29,999	\$13,099	\$2,705	\$13,661
	30,000 - 39,999	\$19,648	\$4,057	\$20,491
	40,000 - 49,999	\$26,198	\$5,409	\$27,322
	50,000 - 59,999	\$32,747	\$6,761	\$34,152
	60,000 - 69,999	\$39,296	\$8,113	\$40,982
	70,000 - 79,999	\$45,846	\$9,465	\$47,813
	80,000 - 89,999	\$52,395	\$10,817	\$54,643
	90,000 - 99,999	\$58,944	\$12,169	\$61,473
	≥ 100,000	\$65,493	\$13,521	\$68,304

**Estimated Gross Revenue: \$13,570,626; Estimated Exempt Buy-down: \$1,394,315; Estimated Net Revenue: \$12,176,311.

Changes by Property Use Category

Residential: 60% increase (\$165)

Commercial: 62% increase

Industrial: 190% increase

Institutional: 2% increase

***This scenario reflects the upper limit of the fire assessment based on the updated study.**

PRELIMINARY ASSESSMENT RATES



Assessment Rates based on 91% of the 5-yr Average Assessable Budget*

Residential Property Use Categories	Rate Per Dwelling Unit			
Dwelling Unit	\$402			
Non-Residential Property Use Categories	Building Classification (in square foot ranges)	Commercial	Industrial/ Warehouse	Institutional
	≤ 1,999	\$596	\$124	\$622
	2,000 - 3,499	\$1,192	\$247	\$1,244
	3,500 - 4,999	\$2,086	\$431	\$2,176
	5,000 - 9,999	\$2,980	\$616	\$3,108
	10,000 - 19,999	\$5,960	\$1,231	\$6,216
	20,000 - 29,999	\$11,920	\$2,461	\$12,432
	30,000 - 39,999	\$17,880	\$3,692	\$18,647
	40,000 - 49,999	\$23,840	\$4,922	\$24,863
	50,000 - 59,999	\$29,800	\$6,152	\$31,078
	60,000 - 69,999	\$35,760	\$7,383	\$37,294
	70,000 - 79,999	\$41,720	\$8,613	\$43,510
	80,000 - 89,999	\$47,679	\$9,843	\$49,725
	90,000 - 99,999	\$53,639	\$11,074	\$55,941
	≥ 100,000	\$59,599	\$12,304	\$62,156

Estimated Gross Revenue: \$12,349,270; Estimated Exempt Buy-down: \$1,268,827; **Estimated Net Revenue: \$11,080,433.

Changes by Property Use Category

Residential: 46% increase (\$126)

Commercial: 47% increase

Industrial: 164% increase

Institutional: 8% decrease

***This scenario reflects maintaining the level of cost recovery from the previous study (approx. 91%).**

EXEMPTIONS

- **Current exemptions:**

- Government-owned properties (considered exempt under State law)
- Institutional properties determined by the Property Appraiser to be wholly exempted from property tax
- Low-Income Senior Exemption
- Total/Permanent Disabled Persons/Veterans/First Responders Full Property Tax Exemption

- **Option to reduce Institutional, tax-exempt property exemption**

- Currently exempted at 100% of assessment fees
- Option to reduce exemption to 50%

Financial Classification	Current 100% Exemption		Potential 50% Exemption	
	100% 5-Year Average	91% 5-Year Average	100% 5-Year Average	91% 5-Year Average
Estimated Gross Revenue	\$13,593,364	\$12,349,270	\$13,593,364	\$12,349,270
Estimated Buy-down for Institutional, Tax-Exempt	\$276,730	\$247,070	\$135,753	\$123,535
Estimated Buy-down for Governmental, Tax-Exempt	\$790,638	\$705,785	\$790,638	\$705,785
Estimated Buy-down for Exempted Residential	\$350,556	\$315,972	\$350,556	\$315,972
Estimated Net Revenue Generated	\$12,175,440	\$11,080,443	\$12,312,063	\$11,203,978

RECOMMENDATION

- The weighted call demand for residential and industrial/warehouse properties has increased, commercial and institutional have decreased.
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NEXT STEPS

- July 17 - FY 2025 preliminary assessment rates adopted
- August 24 – Preliminary rates included in “Truth-in-Millage” (TRIM) Notice of Proposed Taxes distributed to property owners by BCPA
- September 12 – Special Commission Meeting, Public Hearing on Final FY 2025 rates



THANK YOU