



WEST PALM BEACH



Community Workshop  
Fire Assessment  
Rate Resolution  
Fiscal Year 2019  
August 1, 2018

Prepared by the  
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## Fire Assessment

Fire suppression, prevention and other fire services provide a special benefit to properties by protecting the value and integrity of improvements to real property and protecting the use and enjoyment of such property.

The availability of comprehensive fire services reduces the cost of fire insurance and enhances the market perception and property values.

In 2008, the City Commission adopted Ordinance No. 4141-08, establishing an annual recurring Fire Services special assessment program for properties within the City, to fund the assessable costs of providing fire services, excluding Emergency Medical Services (EMS).

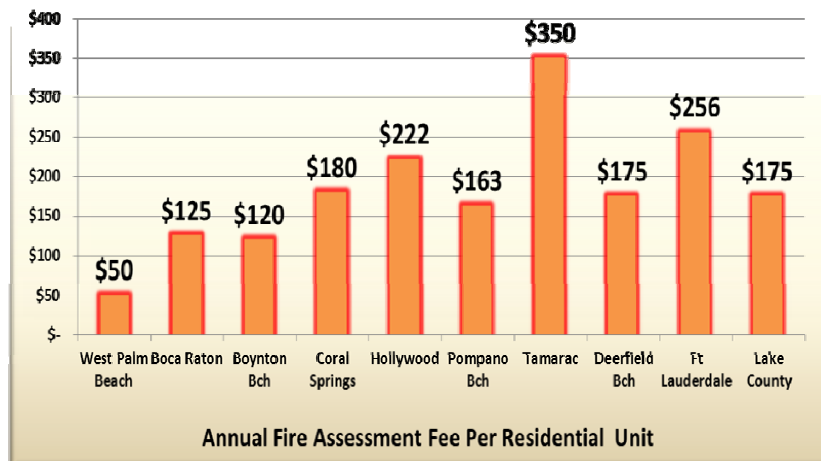


## Notes

## Fire Assessment Fee: Proposed Rate Summary

PROPERTY USE CATEGORY	CURRENT RATE	PROPOSED RATE	
RESIDENTIAL	\$25.00	\$50.00	per dwelling unit
COMMERCIAL	\$0.03	\$0.06	per sq. foot
INDUSTRIAL/ WAREHOUSE	\$0.01	\$0.02	per sq. foot
INSTITUTIONAL	\$0.04	\$0.08	per sq. foot
NURSING HOME	\$0.10	\$0.20	per sq. foot

**Impact of New Rate:  
\$1.9M additional revenue  
for Fire Services**



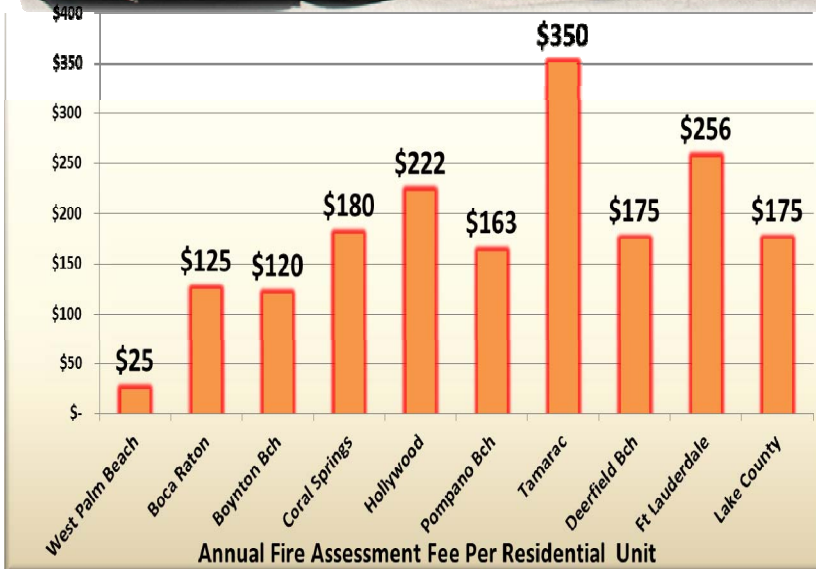
## Fire Assessment Fee: Current Rates

The current 2017 rates have been in effect since the fire assessment fee was established in 2008.

PROPERTY USE CATEGORY	RATE
RESIDENTIAL	\$25.00 per dwelling unit
COMMERCIAL	\$0.03 per sq. foot
INDUSTRIAL/WAREHOUSE	\$0.01 per sq. foot
INSTITUTIONAL	\$0.04 per sq. foot
NURSING HOME	\$0.10 per sq. foot



## What are other Cities Charging?



## Fire Assessment Fee: Additional Revenue

- ◆ The 2017 fire assessment fees charged were **\$2,183,708.95** and the estimated revenue collected is **\$1.9 million** after early payment discounts.
- ◆ The proposed 2018 rate increases would result in fees charged of approximately **\$4,214,972.30** with anticipated revenue for 2018 of approximately **\$3.8 million**.
- ◆ A public hearing on the assessment rate will be scheduled for August 27, 2018.

## Facts to support additional funding requests

- ◆ The City has 246 Fire Department personnel with 214 assigned to 24 hour shifts at the fire stations. The remaining staff serve on weekdays in command and/or support functions.
- ◆ A 46% increase in call volume in the past 10 years.
- ◆ Aging fire apparatus and vehicles past their 10 year life span.
- ◆ Additional trucks and equipment to address increased population density, on going high rise and construction projects, and completion of fire station #9 for the western community.
- ◆ Replace old fire stations.
- ◆ A multi-use Police and Fire complex to include training facilities.

## Resolution No. 201-18

### **Resolution No. 201-18 is the Preliminary Rate Resolution for 2018, as described in the Ordinance.**

#### The Resolution:

- ◆ ...determines the amount to be collected by the assessment;
- ◆ ...establishes a maximum rate, describes the use of the assessment funds;
- ◆ ...proposes the assessment rates for the next fiscal year;
- ◆ ...directs the updating of the assessment roll;
- ◆ ...and sets a date for the public hearing on the assessment.



## Fire Assessment Fee: Proposed Increase

Resolution No. 201-18 proposes an increase in the assessment fee for 2018 as follows:

PROPERTY USE CATEGORY	PROPOSED RATE
RESIDENTIAL	\$50.00 per dwelling unit
COMMERCIAL	\$0.06 per sq. foot
INDUSTRIAL/WAREHOUSE	\$0.02 per sq. foot
INSTITUTIONAL	\$0.08 per sq. foot
NURSING HOME	\$0.20 per sq. foot

The rate structure remains the same using the historical demand as in the 2008 study as noted:

### 2008 Study: Historical Demand

PROPERTY USE CATEGORY	# OF CALLS	% OF DEMAND
RESIDENTIAL	1,696	52.06%
COMMERCIAL	878	26.95%
INDUSTRIAL/WAREHOUSE	129	3.96%
INSTITUTIONAL	389	11.94%
NURSING HOME	166	5.10%
<b>TOTAL</b>	<b>3,258</b>	<b>100.00%</b>

## Fire Assessment Fee: Proposed Increase

- ◆ The proposed 2018 rate request is an increase of \$25 per residential property and ten cents or less per square foot for all other properties.
- ◆ This increase is necessary to generate additional revenue of approximately \$2 million.
- ◆ Since 2013, an additional 40 Firefighters have been added as a result of receiving grant funds covering 75% of their salaries and benefits. The additional costs for bunker gear, trucks, and fire station accommodations will continue to increase the General Fund expenses without the increase in the Fire Assessment Fee.
- ◆ This is not a tax, and therefore the assessment fees apply to all residential property, regardless of homestead ex-