# FORT MYERS BEACH

## FIRE CONTROL DISTRICT

# BUDGET

## FISCAL YEAR 2026-2027

The Fort Myers Beach Fire Control District is pleased to present the Fiscal Year 2026-2027 proposed budget. The District is looking forward to its 77 years of providing our community with the highest level of service while also operating in a fiscally-responsible manner. The District has a history of responding to both emergent and non-emergent calls for service with compassion, quality, and professionalism.

The District was proud to complete the construction of Station 31 in March of 2026 and immediately became the center of operations. In the months surrounding the opening of Station 31, the District hired 17 firefighter/paramedics to fully staff the new station and apparatus. In addition to the new firefighters, the proposed budget includes utilities, maintenance, and insurances associated with the new facility. Other notable budgeting considerations was a significant increase in employee benefits, such as health insurance and Florida Retirement System (FRS) contributions.

## Fire District History

The Fort Myers Beach Fire Control District began with very humble beginnings in 1949 when the Beach Improvement Association organized a small volunteer fire department. In 1950 the volunteer fire department was organized under the Florida Special Acts as an Independent Taxing District. Before 1949, the City of Fort Myers Fire Department provided the only organized Fire Protection from City Fire Station number one in downtown Fort Myers.

Independent and Dependent Taxing Districts are forms of local limited government created by the State, a County, or a Municipality to provide specific services to a defined area. In the case of our District, 1500 community residents petitioned Governor Fuller Warren and the Florida Legislators to form an Independent Special Taxing District for the control and prevention of fires.

Shortly after the formation of the Fire District, the community recognized a need for emergency medical transport services. In the 1950s, these services were provided by funeral homes in the City of Fort Myers and island residents could wait hours until they were transported to the hospital. This need gave birth to another volunteer organization, the Fort Myers Beach Rescue Squad, which co-existed with the Fire District for the next decade.

In 1963, the Fort Myers Beach Rescue Squad officially became a part of the District. Subsequently, the District's Division of Emergency Medical Services was created. Currently, the District is one of two fire districts in Lee County authorized to provide emergency medical transport services to our community. Over the last six decades of providing this service, countless lives have been saved thanks to the District's ability to provide advanced care and rapid transport to the hospital.

Our community has undergone many changes in the last 75 years, and the Fire District is no different. As our community has grown and evolved, we too have evolved, providing a wide variety of emergent and non-emergent services. Our services include fire suppression, emergency medical treatment and transport, fire code permitting and enforcement, building plans review, public education, infant car seat installations, community risk reduction, and disaster response and mitigation.

***Funding an Independent Special District***

The State Legislators limit the available funding mechanisms for independent special districts. Primary sources of revenue include:

- *Ad Valorem Tax*
  The formula for calculating your Ad Valorem:
  Just/Market Value limited by Save our Homes cap = Assessed Value
  Assessed Value less exemptions = Taxable Value
  Taxable Value x Millage Rate/1,000 = gross taxes

- *Non-ad valorem assessment*
  This is a special assessment or service charge which is not based on the value of a parcel of property. The District does not assess non-ad valorem assessments and there are no plans to do so in the foreseeable future.

- *User fees*
  These are fees authorized by Florida Statutes and enacted by an Independent Special District's elected Board. These fees are used to fund specific services such as emergency medical transports, fire inspections, and permitting services. The goals of these fees are not to generate profits but to offset costs and ease the property tax burden on property owners.

In comparison to municipal governments, independent special districts are limited in authorized funding sources. City and county governments have access to many funding sources such as:

- Discretionary Sales Surtax
- Communication Service Tax
- Special Assessments
- Transient Rental Tax
- Governmental Service Fees
- Local Option Sale and Use Tax
- Local Option Gas Tax

As a result, other forms of municipal governments can keep Ad Valorem tax rates (Property Tax) low while supplementing revenue needs through other forms of taxation.

**Understanding the District's Budget**

Government agencies budget and report revenues and expenses on a "Fund" basis. Larger governments generally have multiple Funds that may include Special Revenue Funds, Capital Improvement Funds, Enterprise Funds, etc. Under normal circumstances, the District operates a single Fund referred to as the "General Fund". In the Spring of 2024, the District created a Capital Projects Fund (CIP) to deposit a 9-million-dollar grant received by the State of Florida to build Station 31. The CIP fund also reflects savings from 2019 to 2022 for construction projects, the balance of which is reflected on page 7 of this budget document. These funds are designated for construction of a headquarters, including public meeting spaces, and a training facility on the mainland.

There are four sections of the District's budget, 1) revenues, 2) funds carried forward from the prior year, 3) expenses, and 4) reserves.

**Revenues**

The District estimates the fees that will likely be collected for building inspections, rental property registrations, special event fees and ambulance transports. Other revenues such as donations, secured grants and interest earned are estimated as well. The Ad Valorem taxes are assessed based on the millage rate required to support expenses and reserves, less anticipated revenues and funds carried forward from the prior year.

Simply stated, the equation is:

+ *Expenses*
+ *Reserves*
- *Revenues*
- *Funds carried forward from the prior year*

= *Millage rate required to generate the Ad Valorem taxes required to balance the budget.*

**Funds carried forward from the prior year**

The District estimates the Fund balance for the current fiscal year and accounts for this balance in the revenue section of the budget. Once the year is complete and accounting is finalized, estimated funds that were carried forward in the budget are adjusted to the actual amount. The adjustment is achieved through a Resolution adopted by the Board of Fire Commissioners. This generally coincides with the completion of the audited financial statement.

**Expenses**

The District forecasts the expenses for the budget taking several factors into consideration, depending on the type of expense. Wages and benefits generally comprise 75% - 80% of the operating budget and are largely dependent on collective bargaining agreements. Retirement expenses are determined by the Florida Retirement System and health insurance rates are established by Lee County.

Several expense categories, such as repairs and maintenance for facilities and equipment, utilities, communication fees, legal & professional services, and normal operating supplies are based on historical trends. Other expenses, namely commercial insurance and certain contractual obligations, are bid periodically.

Debt service is budgeted pursuant to an amortization schedule provided by the lender and must be budgeted in compliance with executed agreements. Capital purchases can often account for a large portion of the budget. The District funds capital equipment through the Capital Sustainment and Replacement Reserve. Equipment is assessed annually to determine if replacement estimates; both end-of-useful-life and replacement cost, are accurate. Mission-critical assets may be replaced on a stricter schedule to avoid failure during crucial operations.

**Reserves**

Assigned Reserve levels are based on the current and future needs of the District and reviewed each year during the budget process. Each government entity must establish reserves tailored to their needs.

The annual contribution to the CAP Plan is based on the current cost of each asset, plus an annual multiplier for inflation, divided by the number of years of useful life (annual depreciation plus an inflation factor). The District saves for each asset with a value greater than $5,000. When assets are scheduled for replacement, the estimated cost is budgeted as an expense and the Reserve is reduced by the same amount.

The Emergency Disaster Reserve allows for continued operations in the event of a natural or other disaster. The amount is determined by estimating the cost of an all-out operation of 30 days. This reserve fund allowed the District to maintain operations in the weeks following Hurricane Ian.

The Millage Sustainment Reserve was created in 2017 for the purpose of sustaining operations should a recession or other long term economic stressor occur. Approximately 1.5 million of this reserve was utilized to sustain the operational budget when property values declined by 40% after Hurricane Ian. Historically, modest contributions were made to this reserve, however, no contribution was factored into the proposed budget below.

The District maintains a Reserve to aid in potential costs associated with the Firefighter Cancer legislation passed in 2020.

The following proposed budget (General Fund) is based on a millage rate of 2.65, a reduction from the prior year millage rate of 2.76.

| | | |
|---|---|---|
| **Revenues** | | |
| Ad Valorem taxes | 14,857,143 | 89.7% |
| Impact fees | 10,000 | 0.1% |
| Firefighter's supplemental income (State) | 29,520 | 0.2% |
| Life Safety Fees | 475,000 | 2.9% |
| Ambulance transport fees (net of adjustments) | 500,000 | 3.0% |
| Interest | 675,000 | 4.1% |
| Miscellaneous | 5,037 | 0.0% |
| Proceeds from the sale of capital assets | 10,000 | 0.1% |
| Proceeds from debt | - | 0.0% |
| **Total Revenue** | 16,561,700 | 100.0% |
| Funds Carried Forward (estimate) | 12,000,000 | 42.0% |
| **Total Revenue & Carry Forward** | **28,561,700** | |

| | | |
|---|---|---|
| **Personal Services** | | |
| Elected officials | 30,000 | 0.2% |
| Salaries and wages | 8,916,000 | 46.1% |
| Social Security & Medicare | 684,000 | 3.5% |

| | | |
|---|---|---|
| Retirement contributions (FRS) | 3,160,000 | 16.3% |
| Health & life insurance | 2,047,300 | 10.6% |
| OPEB Contribution | 134,000 | 0.7% |
| Worker's compensation insurance | 250,000 | 1.3% |
| Occupational health | 84,800 | 0.4% |
| | 15,306,100 | 79.1% |
| **Professional & Contractual** | | |
| Legal fees and expenses | 75,000 | 0.4% |
| Professional fees | 279,100 | 1.4% |
| Medical director | 48,000 | 0.2% |
| Audit & accounting | 49,050 | 0.3% |
| Property appraiser fees | 88,600 | 0.5% |
| Tax collector fees | 312,800 | 1.6% |
| Other contractual services | 17,400 | 0.1% |
| | 869,950 | 4.5% |
| **Communications & Freight** | | |
| Communication charges, fees & maintenance | 121,150 | 0.6% |
| Postage and freight | 2,500 | 0.0% |
| | 123,650 | 0.6% |
| **Occupancy and Commercial Insurance** | | |
| Cable TV | 16,500 | 0.1% |
| Electricity & propane | 71,700 | 0.4% |
| Garbage service | 22,100 | 0.1% |
| Water/sewer | 34,800 | 0.2% |
| Commercial property & liability | 228,900 | 1.2% |
| | 374,000 | 1.9% |
| **Repairs and Maintenance** | | |
| EMS equipment | 37,175 | 0.2% |
| Suppression equipment | 74,100 | 0.4% |
| Vehicles | 200,000 | 1.0% |
| Office equipment | 3,500 | 0.0% |
| Buildings | 290,000 | 1.5% |
| | 604,775 | 3.1% |
| **Miscellaneous & Contingency** | | |
| Miscellaneous | 30,000 | 0.2% |
| Required advertising | 4,000 | 0.0% |
| | 34,000 | 0.2% |
| **Operating Supplies & Tools** | | |
| Fuel | 48,000 | 0.2% |

| | | |
|---|---|---|
| Medical | 114,550 | 0.6% |
| Suppression & protective gear | 287,900 | 1.5% |
| Communication | 14,300 | 0.1% |
| Life Safety | 12,550 | 0.1% |
| Training | 18,000 | 0.1% |
| Office | 4,500 | 0.0% |
| Facilities/Housekeeping Supplies | 18,750 | 0.1% |
| FF&E under $1,000 | 105,400 | 0.5% |
| Uniforms | 57,000 | 0.3% |
| Software licenses and updates | 132,380 | 0.7% |
| | 813,330 | 4.2% |
| **Education & Training** | | |
| Career development | 121,200 | 0.6% |
| In-Service Training | 103,200 | 0.5% |
| Conferences | 37,600 | 0.2% |
| Travel | 96,415 | 0.5% |
| Licenses & certifications | 5,900 | 0.0% |
| Dues, memberships & subscriptions | 11,700 | 0.1% |
| | 376,015 | 1.9% |
| **Other Services** | | |
| Emergency Disaster expenses | 3,000 | 0.0% |
| Aid to other organizations | 85,000 | 0.4% |
| Ambulance billing expenses | 27,400 | 0.1% |
| Community outreach programs | 9,500 | 0.0% |
| | 124,900 | 0.6% |
| **Capital Expenditures** | | |
| Building improvements | 30,000 | 0.2% |
| Construction in progress | - | 0.0% |
| Rolling equipment | 394,740 | 2.0% |
| Medical equipment | 48,200 | 0.2% |
| Suppression, rescue & protection equip | 50,000 | 0.3% |
| Communication equipment | - | 0.0% |
| Training | 13,200 | 0.1% |
| Prevention - life safety | - | 0.0% |
| Hardware/software | 8,300 | 0.0% |
| Furniture & fixtures | 15,800 | 0.1% |
| | 560,240 | 2.9% |
| **Debt service** | | |
| Principal payments | 157,900 | 0.8% |

| | | |
|---|---|---|
| Interest | 8,900 | 0.0% |
| | 166,800 | 0.9% |
| **Total Operating Expenditures** | 19,353,760 | 100.0% |
| | | |
| **Transfers in (CIP Fund)** | 719,867 | |
| | | |
| **Designated Fund Balance** | | |
| Assigned: Cap Sustainment/Op Bridge | 7,106,681 | |
| Assigned: Construction Project(s) | - | |
| Assigned: Millage Sustainment | 1,571,126 | |
| Assigned: Disaster Response Mitigation | 1,200,000 | |
| Assigned: Firefighter Presumptive Illness | 50,000 | |
| | 9,927,807 | 34.8% * |
| **Total Expenditures, Transfers and Reserves** | **28,561,700** | |

* Percent relative to the total budget

## Capital Improvement Fund (Headquarters/Training Tower Construction) Budget

| | | |
|---|---|---|
| **Revenues** | | |
| Transfers in (General Fund) | - | 0.0% |
| Fund Balance/Reserves Brought Forward | 11,418,553 | 100.0% |
| **Total Revenues and Funds Brought Forward** | **11,418,553** | 100.0% |
| | | |
| **Transfers** | | |
| Transfers out (General Fund) | 719,867 | 6.3% |
| | | |
| **Reserves** | | |
| Assigned: Capital Building Project (Station HQ) | 10,698,686 | 93.7% |
| **Total Expenditures, Transfers and Reserves** | **11,418,553** | 93.7% |

The following are historical trend charts: