

MOORE COUNTY FIRE COMMISSION

**Tax Distribution Formula
&
Capital Funding Model**

MOORE COUNTY FIRE COMMISSION

- Mike Cameron, Chair, East Region Chief
- Larry Upchurch, Vice Chair, Citizen Representative, District III
 - Scotty Scott, Citizen Representative, District I
 - Colin Webster, Citizen Representative, District IV
 - Barbara Allred, Citizen Representative, District V
 - Mark Stewart, Citizen Representative, District II
 - Steve Melone, West Region Chief
 - John McKiver, South Region Chief
 - Bryan Tyner, Central Region Chief
 - David Lowe, North Region Chief
- Rich Lambdin, President, Moore County Chief's Association
 - Bryan Phillips, Director, Public Safety (non-voting)
 - Vanessa Eads, Administrative Support (non-voting)

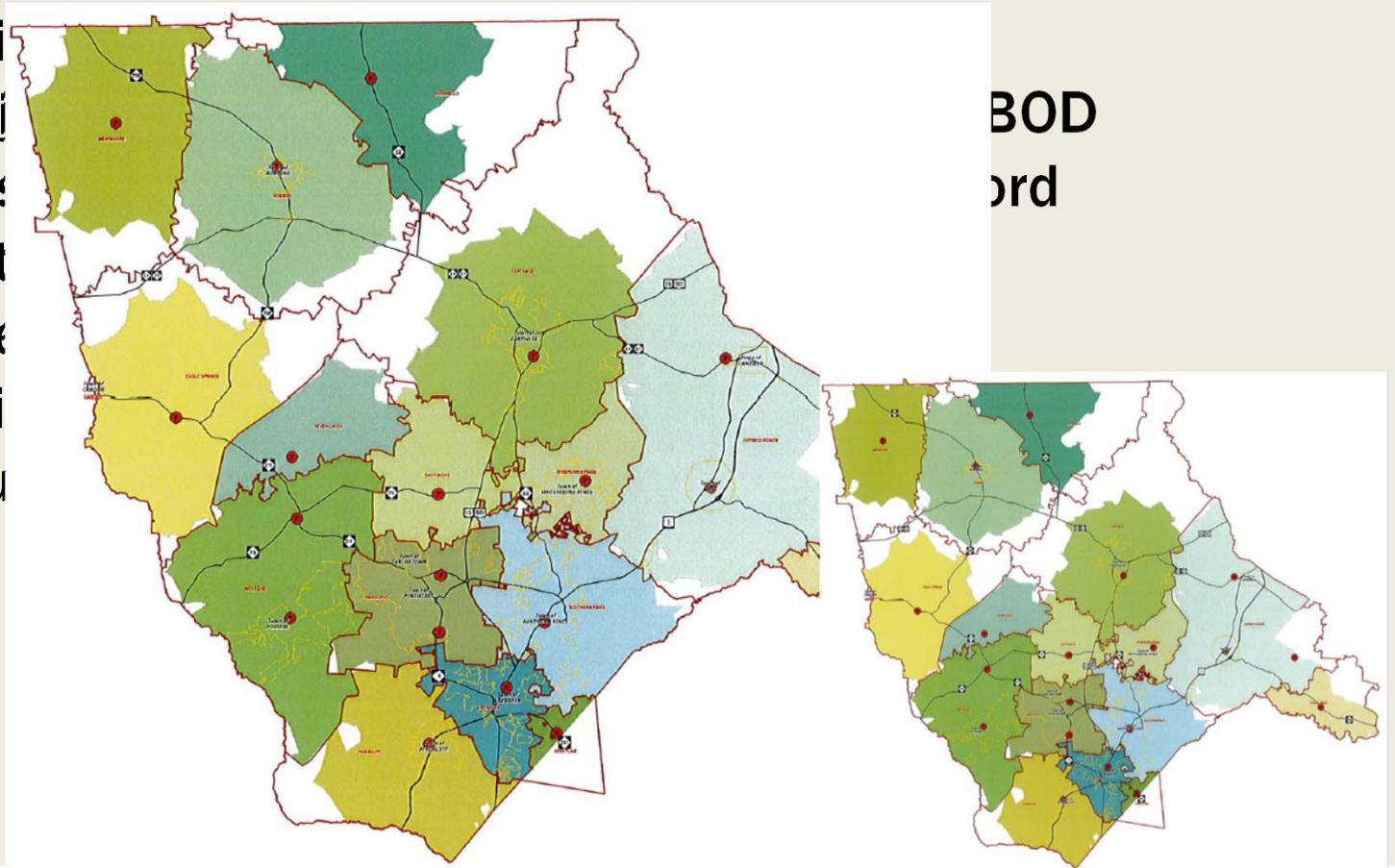
MOORE COUNTY FIRE COMMISSION

- History
- Development
- Capital Funding
- Tax Distribution
- Bottom Line



HISTORY

- 16 Departments (Fire Districts) & 1 EMS Station
- 16 different levels of service
 - Evolved in
 - With indi
 - Level of s
 - No count
- Apparatus re
- No countywi
- No apparatus



MOORE COUNTY FIRE COMMISSION

- **History**
- **Development Process**



DEVELOPMENT PROCESS

Service Delivery Statement

A County of Moore contracted fire department will respond to any dispatched incident within their fire district, and will respond within 5 minutes of dispatch and be on scene with an appropriate* apparatus and personnel in 12 minutes, 80 percent of the time.

Call Type	Apparatus Type	Personnel
Structure/AFA	Engine	4
Rescue	Engine or Rescue	2
Medical	Any	2 EMT/MRs

DEVELOPMENT PROCESS

- 11 Fire Commission meetings + 1 work session
- Solicited
• Brief
• Brief
- Develop
- Develop
- Used pr
- Develop
• Ident



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DEVELOPMENT PROCESS

Tax Distribution Formula Objective

Equitably distribute monies amongst all departments to ensure a minimum level of service.



MOORE COUNTY FIRE COMMISSION

- **History**
- **Development Process**
- **Capital Funding Rules & Procedures**

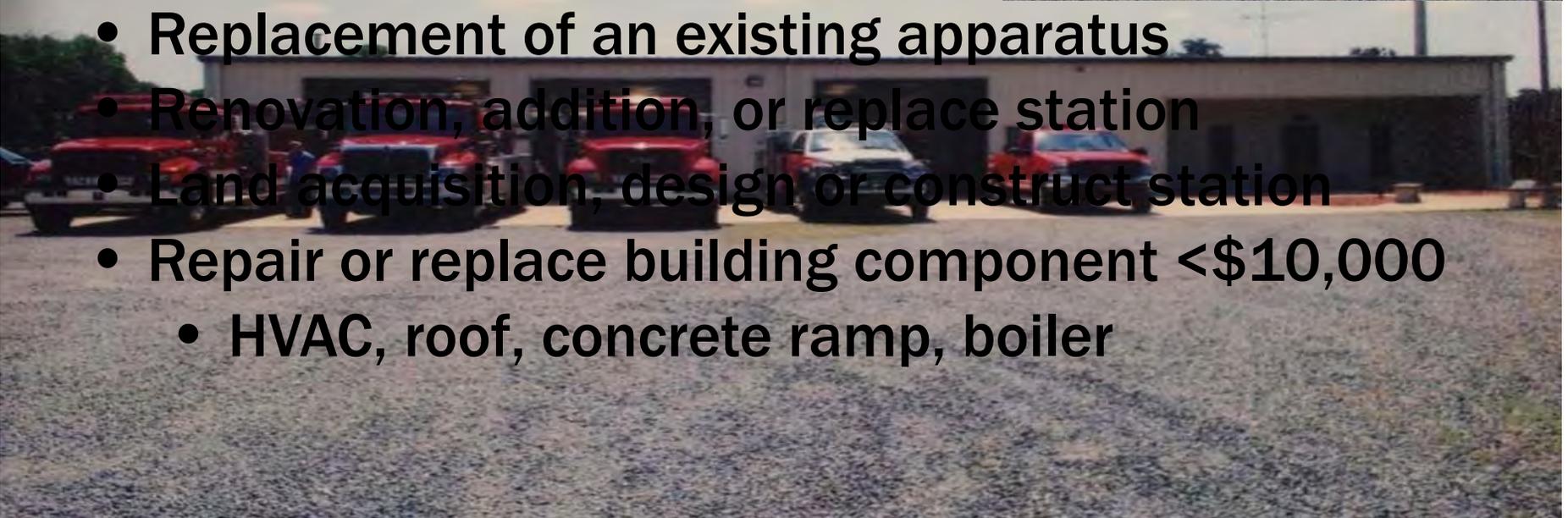


CAPITAL FUNDING RULES & PROCEDURES

- **Applicable to Apparatus & Building**

- **Define Capital Expenditures**

- **Purchase of new apparatus**
- **Replacement of an existing apparatus**
- **Renovation, addition, or replace station**
- **Land acquisition, design or construct station**
- **Repair or replace building component <\$10,000**
 - **HVAC, roof, concrete ramp, boiler**



CAPITAL FUNDING RULES & PROCEDURES

Apparatus Allowance

4. Apparatus to be replaced: _____ Apparatus Type: _____

Year: _____ Manufacturer: _____ Model: _____ Mileage: _____

Value of Vehicle: \$ _____

Has vehicle reached end of Life Span as defined by Fire Commission: Yes No

If not, explain: _____

Planned disposition of _____

If repurposed, explain: _____

5. Apparatus Type to be replaced: _____

Will meet or exceed requirements: _____

If not, explain: _____

6. Total cost of vehicle to be replaced: _____

Total cost of project: \$ _____

Proposed Financing

12. Down payment: Funds from Department _____
 Funds from sale of vehicle _____
 Funds from Grant(s): _____
 Funds requested from Capital Escrow Account _____
 Total down payment: _____

13. Balance to be financed: _____
 14. Financing Institution: _____
 Interest Rate: % _____ Term in Years: _____
 15. Funds to be disbursed annually from Capital Escrow Account: _____

Fire Commission Actions

16. Submitted to Fire Commission Region Chief: _____
 17. Considered by Fire Commission at regular meeting: _____
 Approved Approved w/ conditions
 18. Conditions: _____
 19. Reasons for Disapproval: _____
 20. Fire Commission Chairman Signature: _____



No

Department has or will have available from previous municipalities/counties. Department is requesting from their Apparatus _____ of order/purchase? _____ financial institution.

Based on the total down payment and _____ used annually from the Capital Escrow Account. Department will submit the completed form and all _____ in Chief. _____ the date the Fire Commission acts on the request for approval. _____ that may provide specific details or conditions for approval. If approved, the Fire Commission will provide specific _____ proposal prior to resubmission. _____ Chair or Vice Chair presiding during meeting.

CAPITAL FUNDING RULES & PROCEDURES

LETTER OF INTENT / CAPITAL EXPENDITURE REQUEST FORM

1. Department Name: _____
2. Department Contact Person: _____ Telephone Number: _____
3. Type of submission: Letter of Intent Capital Expenditure Request

Apparatus Allowance

4. Apparatus to be replaced: _____ Apparatus Type: _____
 Year: _____ Manufacturer: _____ Model: _____ Mileage: _____
 Value of Vehicle: \$ _____
 Has vehicle reached end of Life Span as defined by Fire Commission: Yes No
 If not, explain: _____
 Planned disposition of vehicle being replaced: To be sold Repurposed
 If repurposed, explain: _____
5. Apparatus Type to be purchased: _____
 Will meet or exceed minimum standards established by Fire Commission: Yes No
 If not, explain: _____
6. Total cost of vehicle to be purchased: \$ _____

Building Allowance

7. Type of project: Renovate Existing Addition to Existing Repair Existing Replace Existing
 New station Address of new Station: _____
8. Existing building: Year built: _____ Square feet: _____ Acres: _____
 Estimated Value: Building: \$ _____ Property: \$ _____ Total: \$ _____
 Planned disposition of building being replaced: To be sold Repurposed
 If repurposed, explain: _____
9. Description of project: _____
10. Justification for project: _____
11. Costs: Land: \$ _____ Design: \$ _____ Construction: \$ _____
 Total cost of project: \$ _____

Proposed Financing

12. Down payment: Funds from Department (cash available): \$ _____
 Funds from sale of vehicle/building being replaced: \$ _____
 Funds from Grant(s): \$ _____
 Funds requested from Capital Escrow Account: \$ _____
 Total down payment: \$ _____
13. Balance to be financed: \$ _____
14. Financing Institution: _____
 Interest Rate: % _____ Term in Years: _____ Annual Payment: \$ _____
15. Funds to be disbursed annually from Capital Escrow Account: \$ _____

Fire Commission Actions

16. Submitted to Fire Commission Region Chief: _____ Date: _____
17. Considered by Fire Commission at regular meeting: _____ Date: _____
 Approved Approved w/ conditions Disapproved
18. Conditions: _____
19. Reasons for Disapproval: _____
20. Fire Commission Chairman Signature: _____ Date: _____

Instructions for completing the Letter of Intent / Capital Expenditure Request Form.

1. **Department Name.**
2. **Department Contact Person & Telephone Number.** Should be the person with the most knowledge of the request and able to answer questions or provide additional information if necessary.
3. **Type of submission.** Check the box for the type of submission.
4. **Apparatus to be replaced.** The unit designation, i.e., 302, 511, L81, 912, etc.
Apparatus Type. How the apparatus is categorized in the Tax Distribution Formula, i.e., Engine, Tanker, Ladder, Rescue Heavy or Medium, Brush, Service, Ambulance, QRV, Utility, Command/Staff.
Value of Vehicle. How much can be obtained for the existing vehicle if sold.
Life Span. As defined in Tax Distribution Rules & Procedures, i.e., Engine – 20 years, Tanker – 25 years, etc.
Planned disposition. What do you intend to do with the existing vehicle upon delivery of new vehicle.
5. **Apparatus Type.** How the new apparatus will be categorized in the Tax Distribution Formula, i.e., Engine, Tanker, Ladder, Rescue Heavy or Medium, Brush, Service, Ambulance, QRV, Utility, Command/Staff.
Meet or exceed standards. As established in the Tax Distribution Rules & Procedures.
6. **Total cost of vehicle.** Cost should include the vehicle and any equipment to be included in the total contract sale price.
7. **Type of project.** Is the project related to the renovating, adding onto, repairing, or replacing the existing station, or a new station that would be considered a substation for the Department.
8. **Existing building.** The year the existing station was built or significantly renovated.
Estimated value. If no appraisal is available, use Moore County Tax assessment.
Planned disposition. If the project is for a replacement station, then what do you intend to do with the existing building/property.
9. **Description of project.** What are you trying to accomplish with the proposed project, i.e., improve/update old building, add square footage for new/larger apparatus, replace roof, replace existing station that doesn't meet current needs, build a new station to improve response times/ISO, etc.
10. **Justification for project.** Attach supporting documentation such as: maintenance records/expenditures, pictures, maps, contractor assessments, etc.
11. **Costs.** Estimates for the Letter of Intent and exact amounts for the Capital Expenditure Request.
12. **Down Payment. Funds from Department.** Funds the Department has or will have available from previous or current operating budgets, fundraisers, or contracts with municipalities/counties.
Funds requested from Capital Escrow Account. Funds the Department is requesting from their Apparatus or Building Allowance Capital Escrow Account.
Total down payment. Funds that will be paid at the time of order/purchase?
13. **Balance to be financed.** Funds to be borrowed from a financial institution.
14. **Financing Institution.** Name of bank.
Interest Rate, Term in Years & Annual Payment.
15. **Funds to be disbursed annually from Capital Escrow Account.** Based on the total down payment and financing terms, what is the amount of funds to be disbursed annually from the Capital Escrow Account.
16. **Submitted to Fire Commission Region Chief.** The Department will submit the completed form and all supporting documentation to the Fire Commission Region Chief.
17. **Considered by the Fire Commission at regular meeting.** The date the Fire Commission acts on the request with an Approval, an Approval with Conditions, or Disapproval.
18. **Conditions.** Parameters identified by the Fire Commission that may provide specific details or conditions to be met that are not included or different from those proposed.
19. **Reasons for disapproval.** In the event a request is disapproved, the Fire Commission will provide specific reasons and direction to the Department for revising the proposal prior to resubmission.
20. **Fire Commission Chairman Signature & Date.** Signed by Chair or Vice Chair presiding during meeting.

CAPITAL FUNDING RULES & PROCEDURES

Financing

10. Total cost of vehicle/project: \$ _____

11. Down payment: Funds from Department (cash available): -\$ _____

Funds from sale of vehicle/building being replaced: -\$ _____

Funds from Grant(s): -\$ _____

Funds disbursed from Capital Escrow Account: -\$ _____

12. Balance to be financed: \$ _____

13. Financing Institution: _____

Interest Rate: % _____ Term in Years: _____ Annual Payment: \$ _____

Annual due date: _____

Copy of loan attached (required): Yes No

14. Funds to be disbursed annually from Capital Escrow Account: \$ _____

15. Submitted to Fire Commission Region Chief: _____ Date: _____

16. Considered by Fire Commission at regular meeting: _____ Date: _____

Approved Approved w/ conditions Disapproved

17. Conditions: _____

18. Reasons for Disapproval: _____

19. Fire Commission Chairman Signature: _____ Date: _____

16. Considered by the Fire Commission at regular meeting. The date the Fire Commission acts on the request with an Approval, an Approval with Conditions, or Disapproval.

17. Conditions. Parameters identified by the Fire Commission that may provide specific details or conditions to be met that are not included or different from those proposed.

18. Reasons for disapproval. In the event a request is disapproved, the Fire Commission will provide specific reasons and direction to the Department for revising the proposal prior to resubmission.

19. Fire Commission Chairman Signature & Date. Signed by Chair or Vice Chair presiding during meeting.

CAPITAL FUNDING RULES & PROCEDURES

Existing Debt Service

- 28 Apparatus Loans – Value \$7,314,407
- 7 Buildings
 - Department
 - Fire C
 - Ap
 - Ap
 - Dis
- If app
- If disa



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CAPITAL FUNDING RULES & PROCEDURES

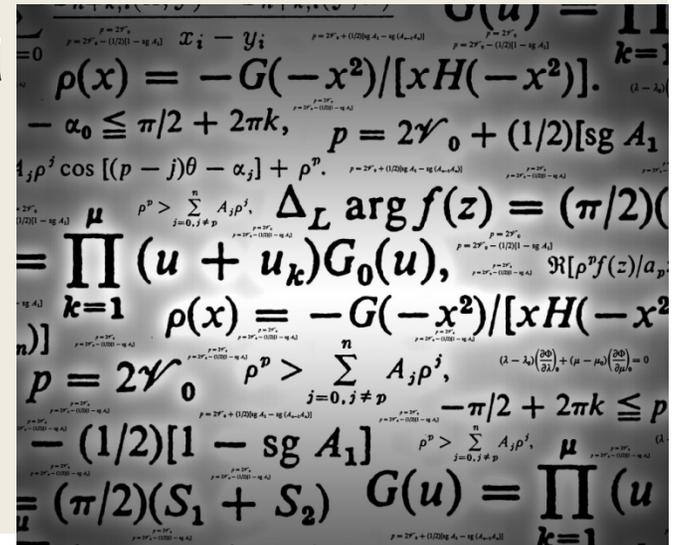
Benefits

- **Equitable** capital funding
- **3-step process provides:**
 - Single page request forms with instructions
 - **Accountability**
 - **Consistency**
 - **Oversight of financial**
- **Apparatus replacement**
 - Reduces apparatus
- **Improved financing**



MOORE COUNTY FIRE COMMISSION

- History
- Development Process
- Capital Funding Rules & Procedures
- Tax Distribution Formula



TAX DISTRIBUTION FORMULA

Apparatus

- Standardized apparatus types
- Identified typical apparatus cost
- Identified typical apparatus life span



TAX DISTRIBUTION FORMULA

A	APPARATUS TYPES	YRS	VALUE
1	Engine	20	\$435,000
2	Tanker	25	\$200,000
3	Ladder	20	\$800,000
4	Mobile Air (7 Lakes Med Rescue)	20	\$350,000
5	Rescue Heavy	20	\$500,000
6	Rescue Medium	20	\$285,000
7	Brush	18	\$85,000
8	Service	25	\$145,000
9	Ambulance	20	\$110,000
10	Quick Response Vehicle (QRV)	15	\$50,000
11	Utility	15	\$45,000
12	Command / Staff	10	\$45,000

TAX DISTRIBUTION FORMULA

Apparatus

- Standardized apparatus types
- Identified typical apparatus cost
- Identified typical apparatus life span
- Developed minimum standards
- “Right sized” apparatus
 - Determined # of Engines needed per Department
 - Based on call volume



TAX DISTRIBUTION FORMULA

				Station XX	
A	APPARATUS TYPES	YRS	VALUE	#	\$
1	Engine	20	\$435,000	2	\$43,500
2	Tanker	25	\$200,000	1	\$8,000
3	Ladder	20	\$800,000		\$0
4	Mobile Air (7 Lakes Med Rescue)	20	\$350,000		\$0
5	Rescue Heavy	20	\$500,000	1	\$25,000
6	Rescue Medium	20	\$285,000		\$0
7	Brush	18	\$85,000	1	\$4,722
8	Service	25	\$145,000		\$0
9	Ambulance	20	\$110,000	1	\$5,500
10	Quick Response Vehicle (QRV)	15	\$50,000	1	\$3,333
11	Utility	15	\$45,000	1	\$3,000
12	Command / Staff	10	\$45,000		\$0
		TOTAL		8	\$93,056

TAX DISTRIBUTION FORMULA

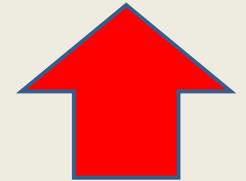
Department	Responses	Stations (1 Eng each)	Additional Engines			# of Engines	
	Excludes Medical Calls		1 - 499	500-1499	1500 +	Current	Proposed
Aberdeen	1223	1	1	1		3	3
Southern Pines	1084	2	1	1		3	4
Pinehurst	872	2	1	1		4	4
Cypress Pointe	559	4	1	1		5	6
Carthage	524	2	1	1		3	4
Seven Lakes	285	1	1			3	2
Robbins	278	1	1			4	2
West End	267	2	1			3	3
Eastwood	237	1	1			2	2
Pinebluff	220	1	1			3	2
Whispering Pines	217	1	1			2	2
Eagle Springs	210	1	1			3	2
High Falls	198	1	1			2	2
Crains Creek	198	1	1			3	2
Crestline	148	1	1			2	2
Westmoore	101	1	1			2	2

TAX DISTRIBUTION FORMULA

			Station XX
B	BUILDING		
1	Apparatus (sq. ft.)		3,344

Apparatus Square Feet

Apparatus Type	Typical Length	Typical Bay Width *	Square Footage
Engine	33	16	528
Tanker	28	16	448
Ladder	43	16	688
Mobile Air	34	16	544
Rescue Heavy	34	16	544
Rescue Medium	30	16	480
Brush	21	16	336
Service	22	16	352
Ambulance	22	16	352
QRV	18	16	288
Utility	20	16	320
Command / Staff	19	16	304

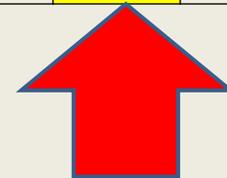


TAX DISTRIBUTION FORMULA

			Station XX	
B	BUILDING			
1	Apparatus (sq. ft.)			3,344
2	Baseline Living / Administration (sq. ft.)	24/7 on-duty	0	3,726

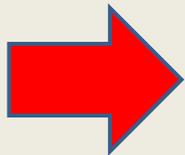
Living/Administration Square Feet

24/7 Staffing		Square Footage
Baseline	0	3726
	1	3800
	2	3900
	3	4000
	4	4100
	5	4200
	6	4300

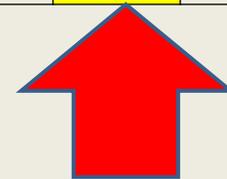


TAX DISTRIBUTION FORMULA

			Station XX	
B	BUILDING			
1	Apparatus (sq. ft.)			3,344
2	Baseline Living / Administration (sq. ft.)	24/7 on-duty	0	3,726
3	Adjusted for Station Type (sq. ft.)	Station Type	3	0

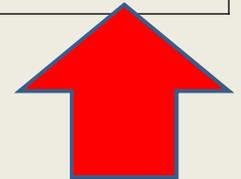


Station Type		Square Footage
Headquarters	1	1200
Main	2	800
Single	3	0
Substation	4	-400
EMS	5	-1200



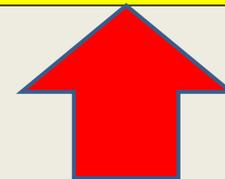
TAX DISTRIBUTION FORMULA

			Station XX	
B	BUILDING			
1	Apparatus (sq. ft.)			3,344
2	Baseline Living / Administration (sq. ft.)	24/7 on-duty	0	3,726
3	Adjusted for Station Type (sq. ft.)	Station Type	3	0
4	Total Square Feet			7,070



TAX DISTRIBUTION FORMULA

			Station XX	
B	BUILDING			
1	Apparatus (sq. ft.)			3,344
2	Baseline Living / Administration (sq. ft.)	24/7 on-duty	0	3,726
3	Adjusted for Station Type (sq. ft.)	Station Type	3	0
4	Total Square Feet			7,070
5	Building Allowance		\$100	\$707,000



Cost per square foot

TAX DISTRIBUTION FORMULA

			Station XX	
B	BUILDING			
1	Apparatus (sq. ft.)			3,344
2	Baseline Living / Administration (sq. ft.)	24/7 on-duty	0	3,726
3	Adjusted for Station Type (sq. ft.)	Station Type	3	0
4	Total Square Feet			7,070
5	Building Allowance			\$707,000
C	BUDGET			
1	Annual Building Allowance			\$14,140

Life span of building (in years)



50

TAX DISTRIBUTION FORMULA

			Station XX	
B	BUILDING			
1	Apparatus (sq. ft.)			3,344
2	Baseline Living / Administration (sq. ft.)	24/7 on-duty	0	3,726
3	Adjusted for Station Type (sq. ft.)	Station Type	3	0
4	Total Square Feet			7,070
5	Building Allowance		\$100	\$707,000
C	BUDGET			
1	Annual Building Allowance		50	\$14,140
2	Apparatus Allowance	Line A13		\$93,056

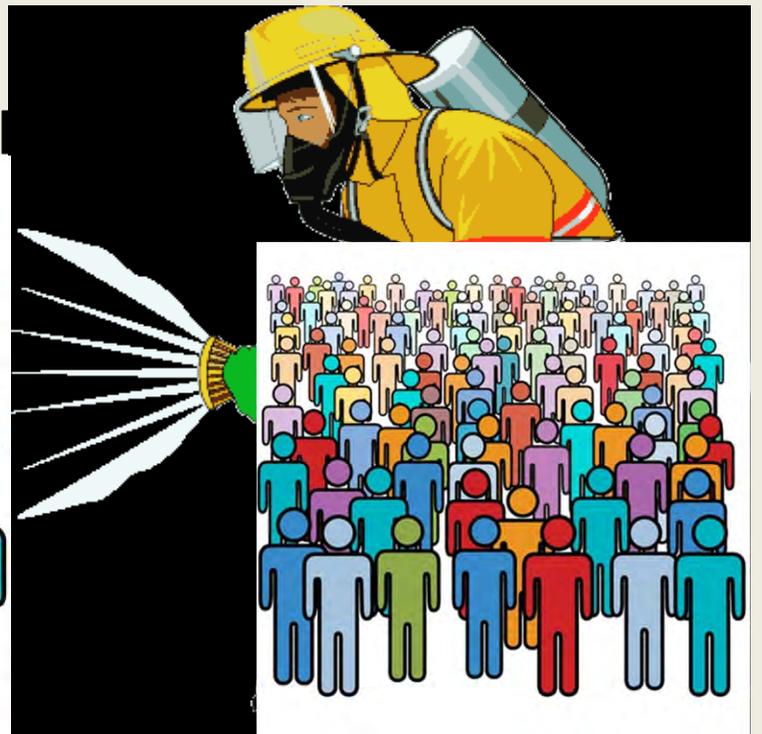
TAX DISTRIBUTION FORMULA

C	BUDGET			Station XX
1	Annual Building Allowance	50		\$14,140
2	Apparatus Allowance	Line A13		\$93,056
3	Building Maintenance	\$0.50		\$3,535
4	Building Operations (Utilities)	\$1.50		\$10,605
5	Building & General Liability Insurance	\$0.35		\$2,475
6	Apparatus Insurance			\$10,000
7	Apparatus Maintenance			\$13,500
8	Equipment Maint. & Replacement			\$6,400
9	Response Allowance*		550	\$34,075
10	Personnel			\$183,771
10a	Salaries - Full-time	See Misc	2	\$60,660
10b	Salaries - Part-time	\$10	4.1	\$85,280
10c	FICA/Social Security	7.65%		\$11,164
10d	Retirement - Full-time	8.00%		\$4,853
10e	Health/Life Insurance	15.00%		\$9,099
10f	Workers Compensation	See WC		\$8,395
10g	Retirement - Volunteer Pension	\$120	36	\$4,320
11	Uniforms	See UT		\$4,315
12	Training	See UT		\$6,400
13	Fuel	Actual		\$8,540
14	Dues / Subscriptions	See Dues		\$2,167
15	Prevention/Public Education	\$1.00		\$6,011
16	Medical Exams/Drug Testing/Immunizations	Actual		\$0
17	PPE / Turnout Gear	See Misc	63	\$15,788
18	SCBA	See Misc	17	\$11,050
19	Radio Maintenance	See Misc	17	\$650
20	Pager Maintenance & Replacement	See Misc	48	\$2,138
21	Office Supplies	\$1,000		\$1,000
22	Telephone / Internet / Cable	\$2,000		\$2,000
23	Financial Audit (per County Contract)	\$5,000		\$0

TAX DISTRIBUTION FORMULA

Staffing

- Largest line item in budget – 58%
- “Right Size” Staffing
 - Identify objective criterion – Fire
 - One (1) paid F
- Wide disparity
 - Current staf
 - 1 paid F
 - 1 paid F



TAX DISTRIBUTION FORMULA

“Right Size” Staffing

- Range identified 600 to 900 residents

“Each Department has 1 paid Firefighter for every 600 to 900 residents within their Fire District”.

TAX DISTRIBUTION FORMULA

					Station XX
D	TOTAL BUDGET SUMMARY				\$431,614
24	Total Capital - Apparatus Allowance		Line A13		\$93,056
25	Total Capital - Building Allowance		Line C1		\$14,140
26	Total Operating Budget				\$324,418

TAX DISTRIBUTION FORMULA

Municipal/County Funding Split

- **Applicable to all Departments, except:**
 - Eagle Springs, Eastwood, High Falls, Seven Lakes & Westmoore
- **Currently, no objective basis for funding split**
- **Depts with contracts with other Counties included**
- **Proposed objective data to calculate split**
 - Population
 - Call Volume
 - Square miles
 - Property Values

TAX DISTRIBUTION FORMULA

Municipal/County Funding Split

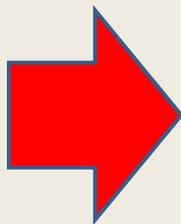
- Each Fire Commission member provided their input
- The merits of each category were thoroughly debated

Formula Weight	
Category	%
Population	15%
Call Volume	75%
Square Miles	10%

TAX DISTRIBUTION FORMULA

Municipal/County Funding Split

Department	Population*				Total
	County		Municipality		
	#	%	#	%	
Station XX	4854	80.8%	1157	19.2%	6011

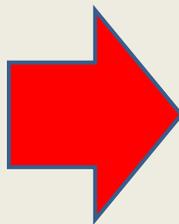


Formula Weight	
Category	%
Population	15%
Call Volume	75%
Square Miles	10%

TAX DISTRIBUTION FORMULA

Municipal/County Funding Split

Department	Population*					Call Volume **				
	County		Municipality		Total	County		Municipality		Total
	#	%	#	%		#	%	#	%	
Station XX	4854	80.8%	1157	19.2%	6011	232	67.2%	113	32.8%	345

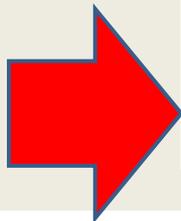


Formula Weight	
Category	%
Population	15%
Call Volume	75%
Square Miles	10%

TAX DISTRIBUTION FORMULA

Municipal/County Funding Split

Department	Population*					Call Volume **					Fire District Square Miles ***				
	County		Municipality		Total	County		Municipality		Total	County		Municipality		Total
	#	%	#	%		#	%	#	%		#	%			
Station XX	4854	80.8%	1157	19.2%	6011	232	67.2%	113	32.8%	345	69.4	98.1%	1.4	1.9%	70.8



Formula Weight	
Category	%
Population	15%
Call Volume	75%
Square Miles	10%

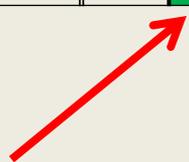
TAX DISTRIBUTION FORMULA

Municipal/County Funding Split

Department	Population*					Call Volume **					Fire District Square Miles ***					Funding Split
	County		Municipality		Total	County		Municipality		Total	County		Municipality		Total	
	#	%	#	%		#	%	#	%		#	%	#	%		
Station XX	4854	80.8%	1157	19.2%	6011	232	67.2%	113	32.8%	345	69.4	98.1%	1.4	1.9%	70.8	72.4%

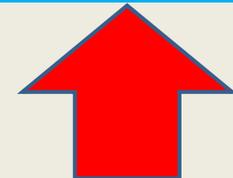
Formula Weight	
Category	%
Population	15%
Call Volume	75%
Square Miles	10%

Station XX Funding Split
72.4%



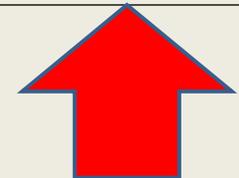
TAX DISTRIBUTION FORMULA

				Station XX
D	TOTAL BUDGET SUMMARY			\$431,614
24	Total Capital - Apparatus Allowance		Line A13	\$93,056
25	Total Capital - Building Allowance		Line C1	\$14,140
26	Total Operating Budget			\$324,418
27	Municipal/County Funding Split		%	72.4%



TAX DISTRIBUTION FORMULA

				Station XX
D	TOTAL BUDGET SUMMARY			\$431,614
24	Total Capital - Apparatus Allowance		Line A13	\$93,056
25	Total Capital - Building Allowance		Line C1	\$14,140
26	Total Operating Budget			\$324,418
27	Municipal/County Funding Split		%	72.4%
28	Adjusted Capital - Apparatus Allowance			\$67,329



TAX DISTRIBUTION FORMULA

Capital Funding Rules & Procedures

Attachment A

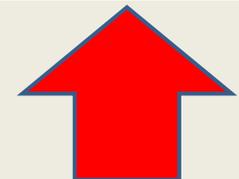
Apparatus Allowance Capital Escrow Account

July 2016

<u>District</u>	<u>Capital Escrow Balance</u>
Station XX	\$67,329
Station YY	\$50,000
Station ZZ	\$24,345
Station AA	\$12,678
Station BB	\$32,543

TAX DISTRIBUTION FORMULA

				Station XX
D	TOTAL BUDGET SUMMARY			\$431,614
24	Total Capital - Apparatus Allowance		Line A13	\$93,056
25	Total Capital - Building Allowance		Line C1	\$14,140
26	Total Operating Budget			\$324,418
27	Municipal/County Funding Split		%	72.4%
28	Adjusted Capital - Apparatus Allowance			\$67,329
29	Adjusted Capital - Building Allowance			\$10,231



TAX DISTRIBUTION FORMULA

Capital Funding Rules & Procedures

Attachment B

Building Allowance Capital Escrow Account

July 2016

<u>District</u>	<u>Capital Escrow Balance</u>
Station XX	\$10,231
Station YY	\$5,678
Station ZZ	\$6,876
Station AA	\$8,324
Station BB	\$4,470

TAX DISTRIBUTION FORMULA

				Station XX
D	TOTAL BUDGET SUMMARY			\$452,997
24	Total Capital - Apparatus Allowance		Line A13	\$93,056
25	Total Capital - Building Allowance		Line C1	\$14,140
26	Total Operating Budget			\$345,801
27	Municipal/County Funding Split		%	72.4%
28	Adjusted Capital - Apparatus Allowance			\$67,329
29	Adjusted Capital - Building Allowance			\$10,231
30	Adjusted Operating Budget			\$250,198
31	Total Adjusted Budget			\$327,758

MOORE COUNTY FIRE COMMISSION

- **History**
- **Development Process**
- **Capital Funding Rules & Procedures**
- **Tax Distribution Formula**
- **Bottom Line**



BOTTOM LINE

Fire/Rescue Funding Perspective

FY15-16 Fire Rescue Budget?

- **\$3,706,781** **Total Budget**

Current Tax Rate **0.08**

BOTTOM LINE

After June Fire Commission Meeting

- \$5,975,458 FY16-17 Total Budget Needed
- \$3,331,664 Tax Revenue (.08 tax rate)
- \$450,000 Rescue Revenue (from ALS tax)
- **(\$2,193,794)** Shortfall

Tax Rate needed 0.141

BOTTOM LINE

July through November Fire Commission Meetings

- Decreased some apparatus values
- Increased some apparatus life spans
- “Right sized” apparatus complement
 - Increased or decreased # of apparatus funded
- Decreased capital building \$ per square footage
- “Right-sized” staffing levels
 - Increased or decreased # of FT & PT FFs funded
- Identified the FY15 Closeout Revenue (\$50,833)

BOTTOM LINE

After November Fire Commission Meeting

- \$4,918,271 FY16-17 Total Budget Needed
- \$3,331,664 Current Tax Revenue (.08 tax rate)
- \$450,000 Rescue Revenue (from ALS tax)
- \$50,833 FY15-16 Closeout Revenue
- **(\$1,085,774)** Shortfall

Current budget funds 77.92%

BOTTOM LINE

Department	Fire District Population (County)	FY15/16 (current)	Recommended FY17	
			Adjusted Total *	
			Budget	Difference
Cypress Pointe	8793	\$704,029	\$811,338	\$107,309
West End	2716	\$355,565	\$432,742	\$77,177
Southern Pines	2500	\$524,227	\$351,696	(\$172,531)
Carthage	4792	\$274,622	\$347,567	\$72,945
Seven Lakes Fire	3737	\$279,012	\$342,822	\$63,810
Robbins	4854	\$211,870	\$327,758	\$115,888
Eagle Springs	3047	\$166,736	\$305,393	\$138,657
Pinebluff	3353	\$188,490	\$292,212	\$103,722
Eastwood	2476	\$162,127	\$269,324	\$107,197
Crains Creek	1827	\$127,967	\$261,600	\$133,633
Westmoore	2864	\$123,490	\$252,378	\$128,888
High Falls	2171	\$138,947	\$245,235	\$106,288
Pinehurst	1849	\$155,441	\$244,844	\$89,403
Whispering Pines	1046	\$105,098	\$128,303	\$23,205
Crestline	836	\$74,397	\$125,509	\$51,112
Aberdeen	640	\$95,263	\$101,429	\$6,166
Seven Lakes EMS		\$35,500	\$78,120	\$42,620
		\$3,722,781	\$4,918,271	

BOTTOM LINE

Immediate Benefits

- **Enhanced staffing coverage (increase in PT hours)**
 - **Robbins (10,400)**
 - **Seven Lakes (832)**
 - **Eagle Springs (1,248)**
 - **Westmoore (3,328)**
 - **Eastwood (1,664)**
 - **High Falls (2,496)**
 - **Crestline (1,040)**



BOTTOM LINE

Immediate Benefits

- Reduce existing debt service
- Refinance some loans for better terms

Capital Debt Service Today

- 28 Apparatus Loans - \$7,314,407
 - Interest paid/due = \$1,727,739+
- 7 Building Loans - Value \$7,107,825
 - Interest paid/due = \$2,944,589+

BOTTOM LINE

Immediate Benefits

- Equitable operating budget
 - Training
 - Uniforms
 - Public education
 - SCBA & PPE replacement program

BOTTOM LINE

Short & Long-term Benefits

- Fiscal accountability & oversight
- Capital escrow funds available for down payments
 - Reduce amount financed = \$ savings on interest
- Replace apparatus within typical life span
 - While vehicle still has \$\$ value
 - Before vehicle becomes a maintenance problem
 - Decrease apparatus maintenance spending
- Reduce \$\$\$ spent on interest



BOTTOM LINE

Fire/Rescue Funding Perspective

With this funding formula and
if every station had 4 full-time FFs 24/7?

- **\$12,114,905 Total Budget Needed**

(\$8.3 million) Shortfall

Tax Rate needed 0.275

BOTTOM LINE

Fire/Rescue Funding Perspective

With this funding formula and
if every station had 4 part-time FFs 24/7?

- \$7,418,593 Total Budget Needed

(\$3.6 million) Shortfall

Tax Rate needed 0.164

BOTTOM LINE

Fire Commission Funding Formula

FY16-17 Recommendation

- **\$4,918,271 Total Budget**

Tax Rate needed 0.104

What does that mean to a taxpayer?

BOTTOM LINE

Current Tax Rate 0.08

\$250,000



=

\$200

Proposed Tax Rate 0.104

\$250,000



=

\$260

BOTTOM LINE

Tax Rate 0.08 vs. Tax Rate 0.104



\$60

A night at the movies!

TAX DISTRIBUTION FORMULA

Timeline (tentative)

- **Nov & Dec** **Review with individual Departments**
- **Jan–Mar 2016** **Departments submit Existing Debt Service Requests to Fire Commission**
- **March 2016** **Finalize formula to Commissioners**
- **June 2016** **Distribute Formula to Departments**
- **July 1, 2016** **Funding formula implemented**

MOORE COUNTY FIRE COMMISSION

DISCUSSION