



**Sanibel Fire & Rescue District
Tentative Budget Hearing Meeting Minutes**

DATE: Thursday September 7, 2023 @ 5:01 PM

ATTENDEES: Jerry Muench (Chairman) – present via Microsoft Teams
Bruce Cochrane (Vice Chairman)
Richard McCurry (Secretary Treasurer)

Kevin Barbot (Fire Chief)
John DiMaria (Deputy Chief)
Greta Fulkerson (Administrative Assistant)

Robert Wilkins (Lieutenant)

Tiffany Repecki (The Island Reporter) – present via Microsoft Teams
The general public

1. Meeting Called to Order

Commissioner Cochrane opened the meeting at 5:01 PM. Commissioner Cochrane led the Pledge of Allegiance.

2. Roll Call

Commissioner Cochrane noted that Commissioner Muench had arranged to be present virtually, with himself and Commissioner McCurry present in person.

3. Budget and Tentative Millage Presentation / Board Discussion

I) Background

Chief Barbot explained that it had been a rough year, with the physical and economic situation and the survival of the District over the next three to four years a critical component from the start of work on the budget back in May. He added that fiscally responsible measures had been implemented, with time taken to individually review the budget with each Commissioner. It was noted that the Board had set a tentative millage of 1.8753 in July, due to the \$3 billion property tax devaluation, in order to maintain the current fiscal year's budget into the next year, and Chief Barbot confirmed that he had been asked to see what could be done to reduce it, which he hoped he had succeeded in.

II) Millage

Chief Barbot noted that the millage rate in 2022 had been 1.3089 giving a revenue just over \$7 million, which had been reduced in 2023 to 1.2365 giving a revenue of \$7.9 million, the intent being to build reserves to financially sustain the current hardships. He explained that the way the property appraiser and DR420 had calculated the rollback rate had put a number of districts in a similar situation, with SFRD's 2024 rollback rate being 1.1061 leading to a revenue of \$4.6 million, which would hardly even cover personnel services. This was due to a 42% property valuation decline, and independent taxing districts no longer being exempt from the homestead \$50,000 exemptions from fiscal year 2024.

Chief Barbot summarized that using the property appraiser's average home value of \$880,000 the homeowner would pay just under \$1,000 for fire service on the island for the year at the current millage rate, which would increase to \$1,500 if using the millage rate proposed in July, a \$511.04 increase. It was emphasized that SFRD still had the lowest millage in the County.

Commissioner McCurry praised the administrative staff, officers, and personnel for their work and agreed that 1.400 mils was a good compromise. Commissioner Muench confirmed that he'd gone over the numbers and had multiple discussions with Chief Barbot, also agreeing that 1.400 mils was appropriate. Commissioner Cochrane noted that the millage rate had to be increased, in a responsible and prudent manner, and highlighted that there were some things that the State had paid for, such as fuel, that would not be the case going forward, but added his agreement to the 1.400 rate.

III) Budget

Chief Barbot showed the budget summary that would be advertised in the paper and on the website, as well as being publicly available, between the current hearing and the final budget hearing. Ad Valorem taxes was

noted to be the main source of revenue, with the indicated number including early payment penalties and a negative \$300,000 owed for the property tax refund rebate, with other sources of income such as permits and fees, investments, and intergovernmental revenue, leading to a potential total revenue of \$5.6 million. Chief Barbot highlighted that budget amendments would be ongoing through the year, with multiple petitions for grants, and that while some positive news had been received, nothing was yet obligated. Expenditures were predicted to be \$9.3 million, leading to a deficit of around \$3.3 million in terms of expenditure versus revenue, but Chief Barbot identified the fund balance reserves, consisting of around \$1 million insurance proceeds strictly for the reconstruction of Station 172, and \$9.4 million made up of operating fund carry-over, including all reserves, the BOCC lease agreement, and federally mandated sick and vacation buy-out banks. Using some of this fund was emphasized to be the reason that the millage rate could be limited to 1.400, that personnel services was only increasing by 0.993% from the current to the next fiscal year, and that operating expenditures was decreasing by 7.5%. Capital outlay was also noted to have significantly increased from \$650,000 to \$3.032 million, with around \$500,000 for the District, around \$2.5 million towards the reconstruction of Station 172, of which \$1 million came from insurance proceeds. Chief Barbot added that the allocation of the capital outlay could permit 100% funding of Station 172, as although there was positive news that FEMA and the State might pay for a large portion of the work, nothing was obligated. Finally, Chief Barbot explained that the fund balance reserve would end at approximately \$6.7 million, which would be around \$4.8 million in reserves, and a carry-over balance of about \$1.7 million into fiscal year 2025, and that it was not certain if that would be sufficient going forward but reiterated that there would be budget amendments as circumstances changed.

4. Public Input on Budget and Tentative Millage Presentation

There was no public input on the budget and tentative millage presentation.

5. Resolution 20230907: Adopting the Tentative Millage Rate for FY 2023-2024

Resolution 20230907 was read by Administrative Assistant Fulkerson.

A motion was made by Commissioner McCurry to accept Resolution 20230907, adopting the tentative levy of ad valorem taxes for fiscal year 2023-2024, the tentative millage rate being set at 1.400 mills resulting in a tax percentage increase to residents of 26.57%. The motion was seconded by Commissioner Cochrane. There was no discussion. The motion was approved unanimously.

6. Resolution 20230907-2: Establishing a Tentative Budget for FY 2023-2024

Resolution 20230907-2 was read by Administrative Assistant Fulkerson.

A motion was made by Commissioner Cochrane to accept Resolution 20230907-2, adopting the tentative budget for fiscal year 2023-2024. The motion was seconded by Commissioner Muench. There was no discussion. The motion was approved unanimously.

7. Set Date, Time, and Place for Final Hearing


Commissioner Cochrane confirmed that the final hearing would be held on Wednesday, September 20, 2023, at 5:01 PM, Sanibel Fire & Rescue District Administrative Building, 2351 Palm Ridge Road, Sanibel, Florida 33957.

The meeting adjourned at 5:30 PM.

Commissioner Jerry Muench



Commissioner Bruce Cochrane



Commissioner Richard McCurry