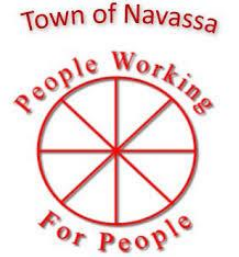




BRUNSWICK COUNTY FIRE SERVICE FUNDING



PRESENTED BY:
Brunswick County Fire Chiefs





Chief Charles Drew

- **Southport Fire Department**
 - 34 years in the fire service (volunteer and career)
 - Volunteer Ranks Held: Firefighter, Lieutenant, Captain, Fire Chief
 - Full-time fire chief since 2015
- **33 years employed with the City of Southport**
 - Code Enforcement/Fire Inspector/Fire Chief
- **NC State Certified**
 - Firefighter 2, Haz Mat, EVD, Technical Rescuer
 - Fire Officer 2
 - Fire Instructor 2
 - Emergency Medical Technician
 - Level 3 Fire Inspector
 - Level 1 Building Inspector
- **Board of Trustee with Doshier Memorial Hospital**

Chief Keith McGee



- **Calabash Fire Department**

- 38 years in the fire service (volunteer and career)
- Professional career
 - 23+ years with the Rocky Mount Fire Department
 - Firefighter, Fire Captain, Battalion Chief, Division Chief of Operations
 - 7+ years as the Fire Chief for the Apex Fire Department (Wake County, NC)
 - 3+ years as the Fire Chief of the Calabash Fire Department
- Bachelor of Science Degree - Management
- National Fire Academy Executive Fire Officer Program graduate
- Chief Fire Officer Designee
- Certified Fire Inspector
- Peer Assessor for the Center for Public Safety Excellence
- Multiple Professional Certifications and Credentials



BRUNSWICK COUNTY FIRE DEPARTMENTS





Brunswick County Fire Departments

MUNICIPAL

- **Bald Head Island** (stand alone)
- **Leland**
- **Oak Island** (fire tax implemented)
- **Ocean Isle Beach**
- **Shallotte**
- **Southport**
- **Sunset Beach**

NON-PROFIT

- Boiling Spring Lakes VFD
- Bolivia FD
- Calabash FD
- Civietown FD
- Grissettown-Longwood FD
- Navassa FD
- Northwest FD
- St. James
- Shallotte Point FD
- Sunset Harbor / Zion Hill FD
- Supply FD
- Tri-Beach FD
- Waccamaw FD
- Winnabow FD



Towns Covered by Non-Profit FD

- **Calabash Fire Department**
 - Town of Calabash
 - Town of Carolina Shores
- **Boiling Spring Lakes Fire Dept.**
 - Town of Boiling Spring Lakes
- **Bolivia Fire Department**
 - Town of Bolivia
- **Navassa Fire Department**
 - Town of Navassa
- **Northwest Fire Department**
 - City of Northwest
 - Town of Sandy Creek
- **Tri-Beach Fire Department**
 - Town of Holden Beach
 - Town of Varnamtown

Towns Covered by Municipal FD



- **Leland Fire Department**
 - Town of Belville
- **Southport Fire Department**
 - Town of Caswell Beach

THE “WHY”

Board of Commissioners Meeting

October 21, 2024



Administrative Report from County Manager Stone

“The current fire fee system in the County has reached a point of diminishing returns and is both an administrative nightmare and an inadequate source of funding for many of our fire departments. I recommend that the County immediately pursue a fire tax plan for the unincorporated areas of the County and negotiate with our municipal fire partners to develop a funding mechanism that meets their needs. Statutory authority for a fire tax already exists, so no local legislation would be required. Portions of the fire service are significantly underfunded at present, but a tax that would adequately address fire system needs is likely well within the allowable fire tax rate cap.”



Background Information

- **Fire Fees**

- Current process that assigns an annual cost based upon heated square footage or acreage for non-improved land.
 - To our knowledge, the only other county in NC that utilizes fire fees is Gates County.
- The value of real property is not a factor when determining the amount of fire fees that is owed by the property owner.
- Most non-profit fire departments throughout the county aren't staffed at a level that supports appropriate staffing levels.



Fire Fees Billed in July of 2025

FIRE DISTRICT	AMOUNT BILLED	FIRE DISTRICT	AMOUNT BILLED
St. James	\$ 112,145	Winnabow	\$1,105,305
Bolivia	\$ 406,830	Shallotte	\$1,171,980
Waccamaw	\$ 414,800	Northwest	\$1,193,520
Navassa	\$ 432,170	Supply	\$1,266,660
Civietown	\$ 735,180	Ocean Isle Beach	\$1,812,840
Shallotte Point	\$ 749,295	Southport	\$1,944,345
Grissettown-Longwood	\$ 810,200	Tri-Beach	\$2,253,817
Boiling Spring Lakes	\$ 940,540	Sunset Beach	\$2,504,940
Sunset Harbor/Zion Hill	\$1,019,870	Calabash	\$3,156,830
		Leland	\$6,185,795



AVAILABLE FUNDING OPTIONS

- **FIRE FEES**

- Continuation of current funding model
- Would require legislative action to raise the cap on the fees in order to address the underfunding issue
- Personnel property (i.e., vehicles) is not included.

- **Rural Fire Protection Districts**

- Requires public vote
- Caps tax rate at 10¢ per \$100 of valuation
- Can be raised to a max of 15¢ per \$100 if approved by voters

- **County General Fund**

- The County could use property tax proceeds and fund the fire service through that model



AVAILABLE FUNDING OPTIONS

- **SERVICE DISTRICT (§153a-302)**
 - A service district in North Carolina is a defined area within a county established to finance, provide, or maintain specific services, facilities or functions beyond what is provided countywide. These districts are governed by the county board of commissioners and can include fire protection, ambulance, and rescue services.
 - It is apparent that this funding option is the preferred option by county staff.
 - Personal property is included in the tax calculations.
 - The county has three options for service district formation:
 - A single service (fire) tax district
 - Regional service (fire) tax districts
 - Individual service (fire) tax districts



SERVICE DISTRICTS

- Established by the county board of commissioners without requiring petitions or voter referendums.
- A county board of commissioners may create one or more fire service districts.
- The board must find (1) that there is a demonstrable need for providing one or more services in the district, (2) that it is impossible or impracticable to provide the services on a countywide basis, (3) that it is economically feasible to provide the proposed services in the district without unreasonable or burdensome annual tax levies, and (4) that there is a demonstrable demand for the proposed services by persons residing in the proposed district.
- The board must make statutory findings, hold a public hearing, and prepare a report detailing the district's boundaries and service plans.
- After the public hearing, the county board may adopt a resolution establishing the district



SERVICE DISTRICTS

- The board must make statutory findings, hold a public hearing, and prepare a report detailing the district's boundaries and service plans.
- After the public hearing, the county board may adopt a resolution establishing the district.
- The resolution must take effect at the beginning of a fiscal year.



SERVICE DISTRICTS

- The county may levy a property tax within the district(s) to fund services.
- There is no specific maximum tax rate, but the combined district and county tax rates cannot exceed \$1.50 per \$100 valuation unless approved by voters.



SERVICE DISTRICTS

- *If within ninety days before holding the public hearing on the proposed district (and before the first publication of notice of the public hearing) the board of commissioners adopts a resolution that states that property taxes within the fire protection service district may not exceed \$0.15 per \$100 valuation, then the yearly service district tax may not exceed this maximum rate.*
- Revenue generated from the service district tax is specifically earmarked to finance the fire or rescue services to be provided in the district.
- Service district tax proceeds may not be diverted to any other purpose, even if a service district is abolished.
- In addition to the service district tax revenue, a county may allocate to a service district any other unrestricted revenues.



SERVICE DISTRICT OPTIONS

- **Single County Fire Service District**

- Creation of a single county fire service district that encompasses the entire unincorporated area of the county.
- Under this approach, the county levies a single tax rate across the entire service district and allocates the proceeds among the various fire and rescue departments that service each response zone according to their individual budgetary needs.



SERVICE DISTRICT OPTIONS

- **Regional County Fire Service Districts**
 - Creation of two or more fire service districts based on geography.
 - Under this approach, the county levies a tax rate across the entire region that defines the service district and allocates the proceeds among the various fire and rescue departments that service each response zone within each region according to their individual budgetary needs.



SERVICE DISTRICT OPTIONS

- **Individual County Fire Service Districts**
 - Each response agency would have their own fire service district, like the current fire fee system.
 - Under this approach, the county levies a tax rate across each individual district allocates the proceeds among the fire and rescue department that services that response zone according to their individual budgetary needs.



FIRE CHIEF'S MEETING

- **Meeting held on Wednesday, July 30th**
- **All potentially affected departments, except Boiling Spring Lakes, were represented during the meeting.**
 - Bald Head Island, Sunny Point, and Oak Island will not be affected to our knowledge
- **Discussion mainly centered around transitioning from a fee system to a tax system.**



Fire Chief Discussion Recap

- Fire chiefs discussed current fee system and the shortcomings.
- There are several departments that are underfunded.
- Municipal fire departments require additional funds from their municipality to supplement fire fee revenue.
- The county manager and staff desire to have a fire service tax in lieu of the fire fee system and the less districts the better.
- All three options for service tax districts were discussed at length.



Fire Chief Discussion Recap

- **General Concerns**

- Currently unaware of an appropriate governmental structure existing within the county to fairly and justly oversee a single fire service tax district.
- We would anticipate that municipalities with their own fire department would “opt out” causing:
 - The property valuation used to set the tax rate would be reduced by more than half, which would cause a significant increase in the tax rate across the unincorporated county.
 - Towns would negotiate with the county on the tax rate they need to cover the unincorporated areas within their district.
 - What would municipalities that are protected by a non-profit department do?

Brunswick County Fire Chief's Concern



Board of Commissioners Meeting

July 21st

Administration Report



Brunswick County Board of
Commissioners
ACTION AGENDA ITEM
July 21, 2025

From:

Steve Stone, COUNTY MANAGER

Action Item# VIII2

(Steve Stone) Fire Service Funding Planning Schedule

Issue/Action Requested:

Request that the Board receive information about the planned schedule for development of a fire fee to fire tax transition plan.

Background/Purpose of Request:

The Board requested that we provide a schedule for the planning phase of the potential transition of funding the fire service from the current fee system to a tax system. A brief summary of key milestones and projected timeframes follows:

Complete staff review and analysis of the tax rates needed to adequately fund the fire service in each of the current fire districts, as well as the rate needed to adequately fund a theoretical single unincorporated county fire district. The target completion date is August 29, 2025.

Complete discussions with the Fire Chief's Association and municipalities that fund the fire service with regard to possible consolidation or reconfiguration of fire service district boundaries. The target completion date is October 17, 2025.

Present draft district alignment and tax rate alternatives to the Board of Commissioners. The target date is November 17, 2025.

Present final recommendations to the Board of Commissioners. The target date is January 20, 2026.

Brunswick County Fire Chief's Concern



July 21st

Board of Commissioners Meeting

Administration Report

Complete staff review and analysis of the tax rates needed to adequately fund the fire service in each of the current fire districts, as well as the rate needed to adequately fund a theoretical single unincorporated county fire district. The target completion date is August 29, 2025.



Brunswick County Fire Chief's Concern

July 21st

Board of Commissioners Meeting

Administration Report

Complete staff review and analysis of the tax rates needed to adequately fund the fire service in each of the current fire districts, as well as the rate needed to adequately fund a theoretical single unincorporated county fire district. The target completion date is August 29, 2025.

- How is adequate defined if there is no standard level of service published?
- Has any member of the “staff” been responsible for creating and managing a fire department budget?
- How will funding and tax rate decisions be made without a guidance document outlining expectations?
- The fire departments requested the county provide a data analyst for the fire departments to report travel time performance, but that position wasn't funded.



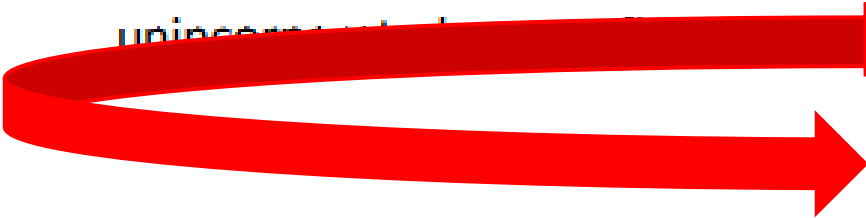
Brunswick County Fire Chief's Concern

July 21st

Board of Commissioners Meeting

Administration Report

Complete staff review and analysis of the tax rates needed to adequately fund the fire service in each of the current fire districts, as well as the rate needed to adequately fund a theoretical single
unincorporated area. The target completion date is August 29, 2025.

- 
- The target date is 14-days away and up to this point; no formal discussions have been held with any fire department to our knowledge.

Brunswick County Fire Chief's Concern



July 21st

Board of Commissioners Meeting

Administration Report

Present draft district alignment and tax rate alternatives to the Board of Commissioners. The target date is November 17, 2025.

Present final recommendations to the Board of Commissioners. The target date is January 20, 2026.

- Will there be a point in this process where the fire chiefs and municipalities will have a formal opportunity for dialogue with the county before the recommendation is made by county administration?
- Since there was no mention of this going to the voters, it appears that the county is not pursuing a rural fire protection system.

PROPERTY VALUES





Approximate Property Values

- **Total Property Valuation for Municipalities with their own FD**
 - \$28,458,258,157
- **Total Property Valuation for Non-Profit Fire Districts**
 - \$14,592,516,115
- ***Total Property Valuation for Towns Protected by Non-Profit FD***
 - \$ 7,097,336,552
- ***Total Property Valuation for Unincorporated County Areas***
 - \$ 7,495,179,563



Fire Chief Consensus Recommendation

- **In the end, the county fire chiefs unanimously voted by a show of hands to support the following:**
 - **Individual Fire Service Tax Districts**
 - + Current Fire Fee Committees could transition to Fire Tax Rate Committees to oversee fire tax rates in each district.
 - + Departments would have to submit a budget to their Fire Tax Rate Committee to receive support for any recommended action or inaction concerning their service tax rate.
 - + Fire Tax Rate Committee Chairperson would bring the recommended rate to the County Board of Commissioners for approval at the appropriate time.
 - + Provides departments with autonomy while receiving increased oversight.
 - More rural departments will likely have a high tax rate if their revenue shortfalls aren't addressed through some type of supplemental funding arrangement.
 - There currently is no established county-wide performance standard on which to evaluate departmental operations used to justify future budget requests.

Estimated Fire Service District Tax Rates



Fire District	Fire Tax Rate	Fire District	Fire Tax Rate
Leland Fire	\$0.1210	Grissettown-Longwood Fire	\$0.0928
Ocean Isle Beach Fire	\$0.0551	Navassa Fire	\$0.0664
Shallotte Fire	\$0.1649	Northwest Fire	\$0.0794
Southport Fire	\$0.0949	Shallotte Point Fire	\$0.0818
Sunset Beach Fire	\$0.0772	Sunset Harbor / Zion Hill Fire	\$0.0825
St. James Fire	\$0.0415	Supply Fire	\$0.0868
Boiling Spring Lakes Fire	\$0.0897	Tri-Beach Fire	\$0.0540
Bolivia Fire	\$0.1095	Waccamaw Fire	\$0.1243
Calabash Fire	\$0.0809	Winnabow Fire	\$0.0894
Civietown Fire	\$0.1140		

IMPORTANT

Please use for illustration purposes only. Final tax rates would be factored on definitive property values.

Tax rate for municipal fire departments attempts to account for general fund revenue used to supplement fire department operations.

These rates estimate a revenue neutral rate for each district and do not address any additional funding needs throughout the county fire services.



Fire Chief Consensus Recommendation

- **In addition to the recommendation for individual fire service tax districts the group recognized that additional funding will be needed to support the departments that serve rural districts.**
- **We discussed seeking a funding source that would generate proceeds that departments in need could draw from based on a competitive application process, like a grant program.**
 - This money would not be used for recurring expenses (i.e., personnel).
 - Funding needs would be required to be justified.
 - Departments in greatest demonstrated need would have a competitive advantage.
- **Source for these funds could potentially be:**
 - Possibly implement a county-wide \$0.0025 (1/4¢) sales tax
 - Add an additional \$0.01 to all individual districts to generate funds
 - Possibly tap into the accommodations tax



Conclusion

- Thank you for the invitation to present our thoughts!
- We want to secure a “seat at the table” as these funding discussions, that directly affect every fire department, continue.
- We want this to be a cooperative process and not an adversarial one.