

Town of Jupiter, Florida

Fire & EMS Sustainability and Feasibility Study

Technical Report Briefing

January 9 & 10, 2023

ICMA

International City/County Management Association

CPSM[®]

Center for Public Safety Management, LLC

Exclusive Provider of Public Safety Technical Services for
International City/County Management Association



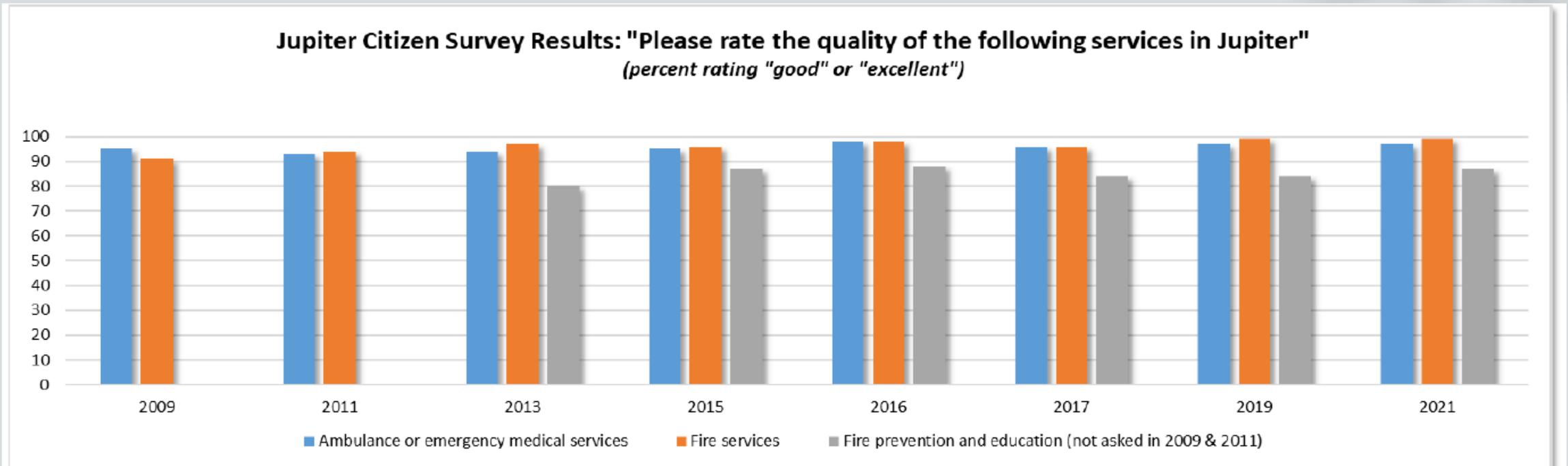
TOWN OF
JUPITER

Palm Beach County Fire Rescue

- Valued Jupiter Community Partner.
- PBCFR has provided exceptional service to residents and businesses of Jupiter for almost 40 years.
- The Town of Jupiter values its parentships with PBCFR:
 - Public Safety Services
 - Emergency Management
 - Life safety Education and Awareness
 - Community Engagement and Involvement

Palm Beach County Fire Rescue

Jupiter residents consistently rate the quality of services provided by the men and women of PBCFR very highly.



Results from the Town of Jupiter Citizen Surveys, 2009 - 2021

Recap: Why this study?

- Current Interlocal Agreement with PBCFR for Fire and EMS services sunsets on 9/30/2023.
- The Town was notified in July 2022, that the County did not wish to renew the Interlocal Agreement for fire rescue services utilizing the actual cost methodology.
- July 2022, PBCFR proposal included a substantial increase in the Jupiter MSTU.
 - FY 2023 MSTU Rate of 1.8713 to an FY 2028 MSTU Rate of 3.4581
 - No new services; Move to a straight tax rate cost methodology
 - No ambulance transport fee credit (approximately \$1.3 - \$1.4 million annually)

Recap: Why this study?

- Proposed fire agreement drove the Town to analyze the fiscal sustainability of an increasing Fire & EMS MSTU over the long term.
- Explore the feasibility of Fire & EMS service delivery opportunities that may be available to the Town.
- Provide relevant information to assist in the policy decision-making process on the future of Fire & EMS for the Town of Jupiter.

CPSM Project Timeline

- Initial Project Work: July 2022-September 2022
- Preliminary Findings Council Briefings: September 26 & 27, 2022
- Town Council Round Table Discussion: November 1, 2022
- Technical Report Development: November 2022-December 2022
- Draft Technical Report Delivered to Town: January 2023
- Technical Report Council Briefings: January 9 & 10, 2023
- Technical Report Presentation: January 17, 2023

FY 2023 PBCFR Costs

Jupiter Portion of Battalion #1

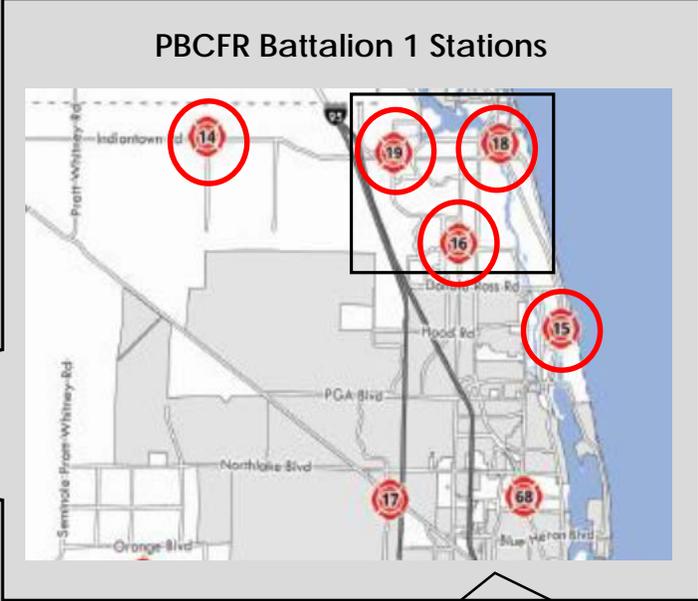
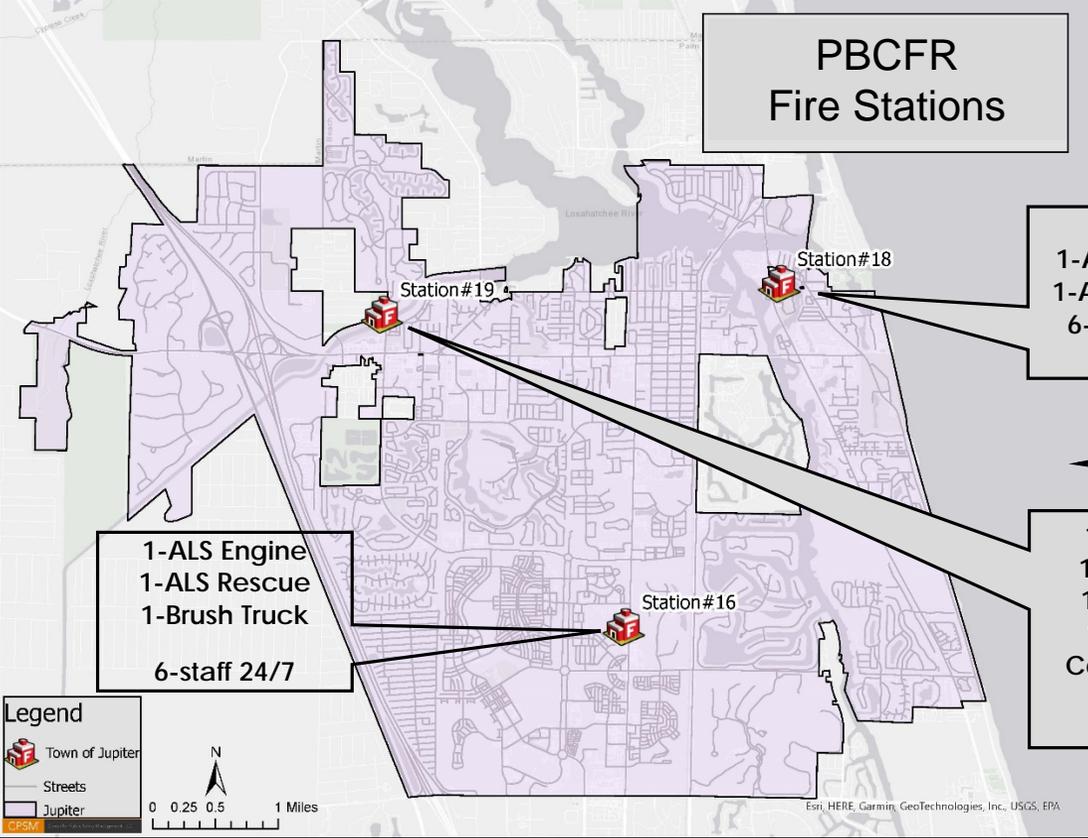
Minus Stations 17 & 68

Description	Totals
Direct Costs	\$20,806,676
Overhead Costs	\$5,364,314
Capital Costs	\$1,071,351
Revenue from EMS Transport	(\$1,394,837)
Total Recurring Costs for Jupiter Fire Rescue Department	\$25,847,504

Battalion 1 Budget = \$32.8 Million

Jupiter Portion: 63.34% + Overhead & Capital = \$25.8 million

What the Town Funds



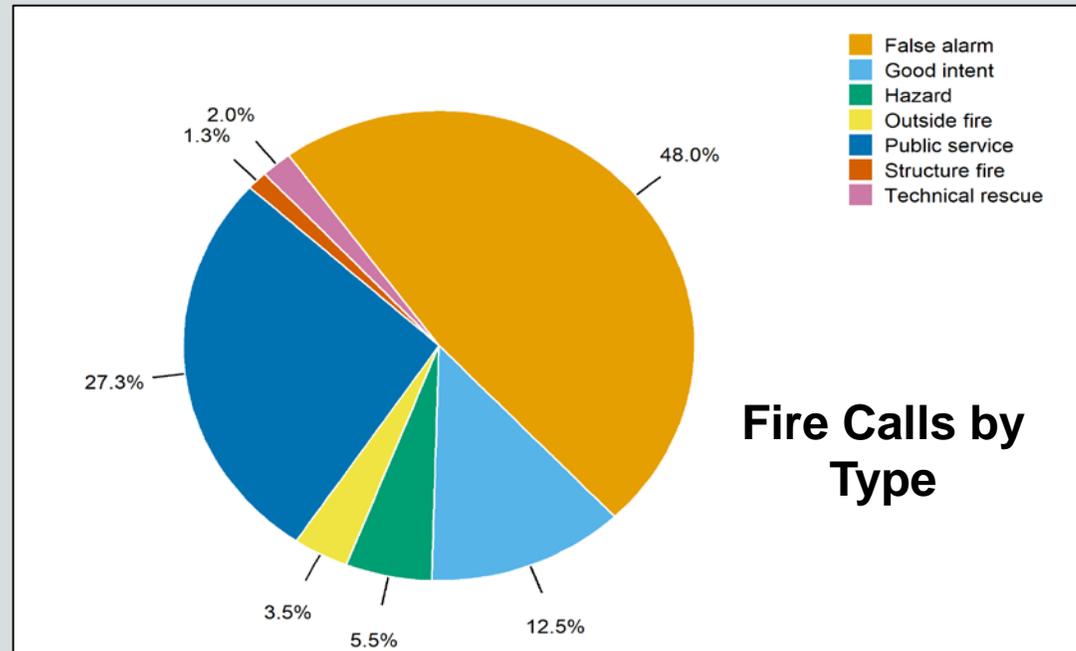
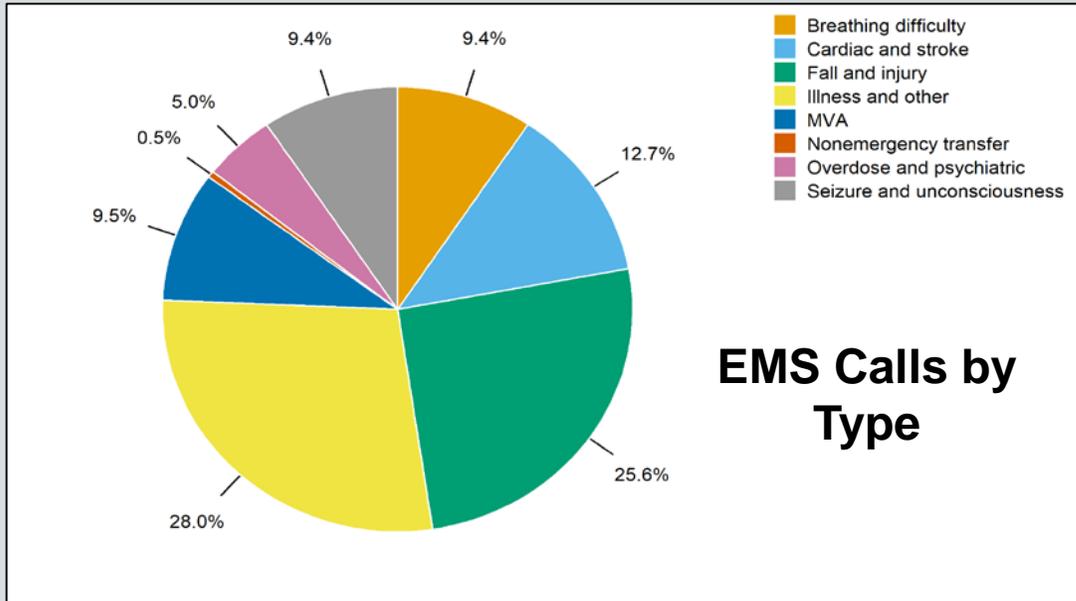
Actual cost for Battalion 1 minus Stations 17 and 68 based on:

- Percentage of Calls
- Overhead Costs
- Capital

Emergency Service Requests

PBCFR Jupiter Units Workload

July 1, 2021-June 30, 2022



Response Type	Location	Number of Calls			Total
		EMS	Fire	Canceled	
Shared Response	Jupiter	649	158	134	941
Local Only	Jupiter	4,658	1,379	516	6,553
Local	Outside Jupiter	504	131	139	774
Call Total		5,811	1,668	789	8,268

Shared Response refers to calls with both a local and external responding unit in Jupiter.

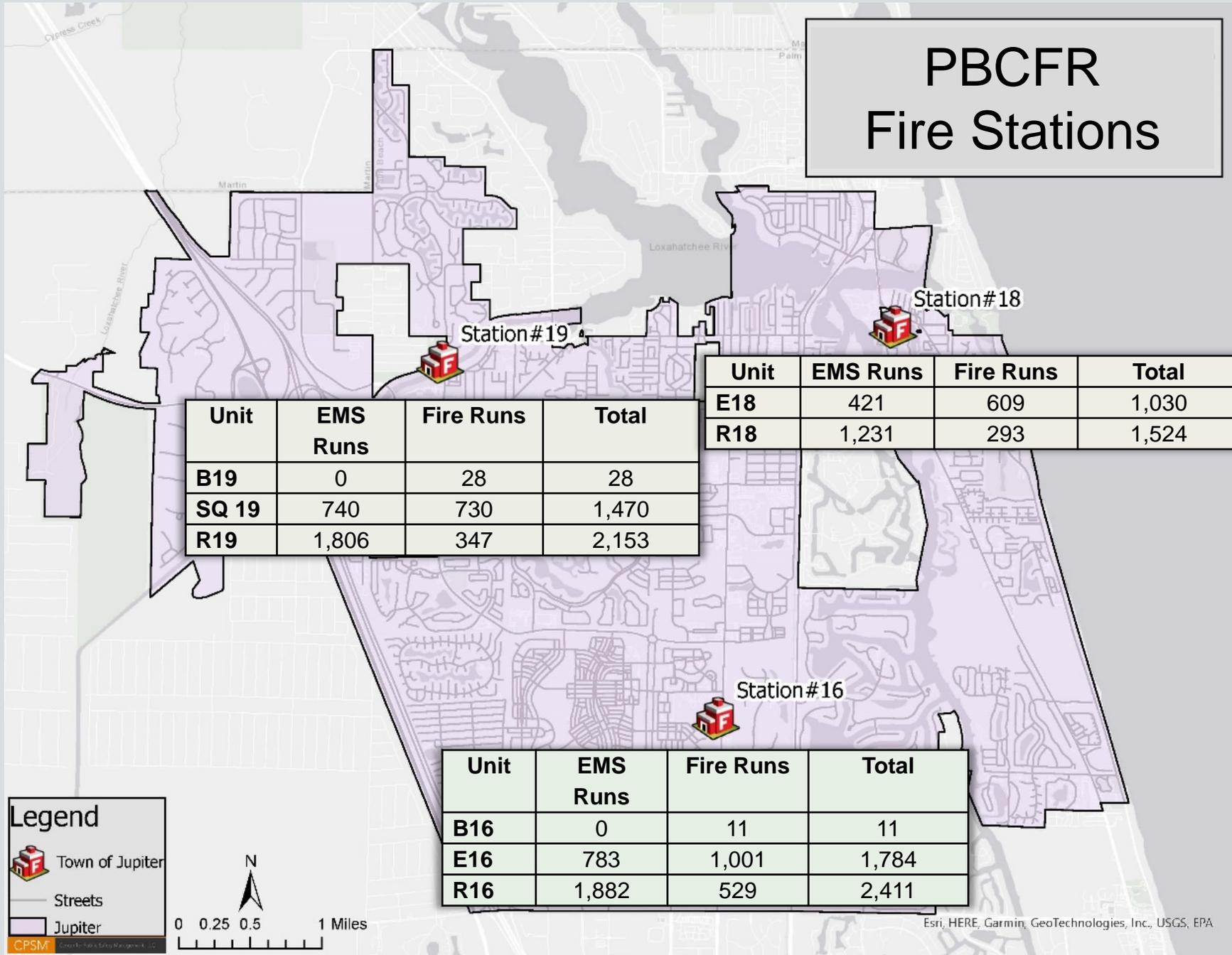
Local Only indicates Jupiter only units and includes all units at Station 19.

Local Outside Jupiter refers to Jupiter only units responding outside of Town boundaries.

PBCFR Fire Stations

PBCFR Jupiter Units Workload

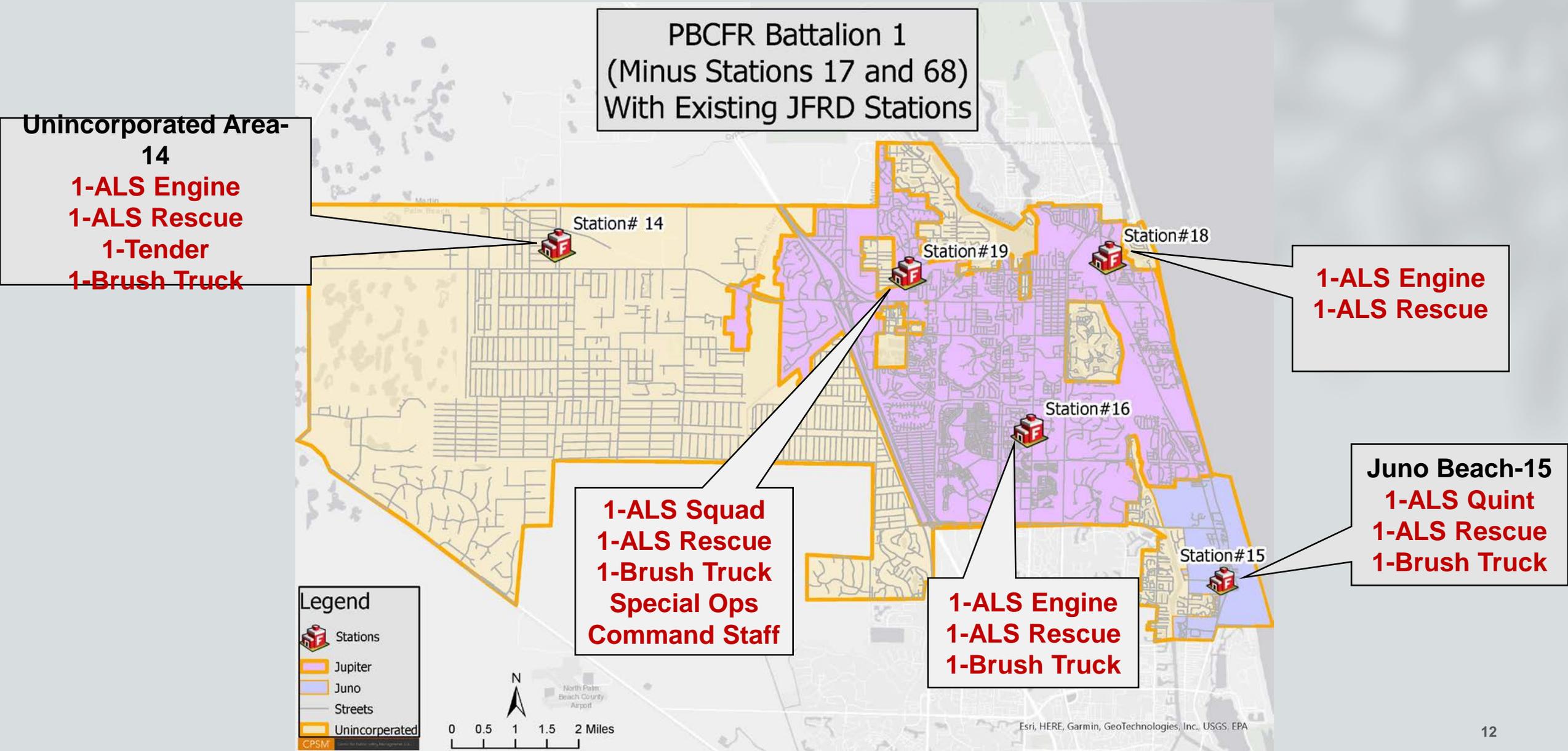
Unit responding to a call
Some calls include multiple units



Benefit to County for Providing Fire and EMS Services to the Town

- Jupiter is the last largest municipality in northern PBC.
- PBCFR Fire and EMS resources are limited in and near unincorporated areas in this region of the County.
- Placement of additional Fire and EMS resources in Jupiter bolsters the response force to northern PBC unincorporated areas and a contiguous PBCFR municipal contract area to the southeast (Juno Beach).

PBCFR – Regional Station Locations



Benefit to the Town Contracting Fire and EMS Services

- The Town benefits by contracting with PBCFR not from a direct cost benefit, but from an organizational benefit.
- Jupiter is paying premium dollars for Fire and EMS service.
- The direct benefit to the Town contracting with Palm Beach County is the establishment of Fire and EMS services within the Town municipal boundaries without the responsibility of the day-to-day management of a Fire Rescue department.
 - This responsibility however is not beyond the realm of the Town as they successfully manage complex operational and administrative municipal departments now that include police; finance; human resources; public works; public water and stormwater utilities; and building, zoning, and planning services.

Other municipalities successfully operate Fire-Rescue Departments.

Fire & EMS Alternatives

- **Alternative 1:** Accept the only written proposal PBCFR has offered.
- **Alternative 2:** Contract for Fire & EMS with a contiguous municipality.
- **Alternative 3:** Create a fire district under State of Florida statutes.
- **Alternative 4:** Create a Town of Jupiter Fire & Rescue Department.

Alternative 1: Accept PBC Proposal

- With this alternative, the Town can accept and approve the proposed 5-year agreement for Fire and EMS services as presented by PBCFR in July 2022. This alternative maintains the current level of service provided by PBCFR utilizing a straight tax revenue formula.
- Town desires the actual cost methodology used in the current interlocal agreement.
- **PBC proposal does not include new services.**

Potential 36 Month Plan for a Town Fire Rescue Department

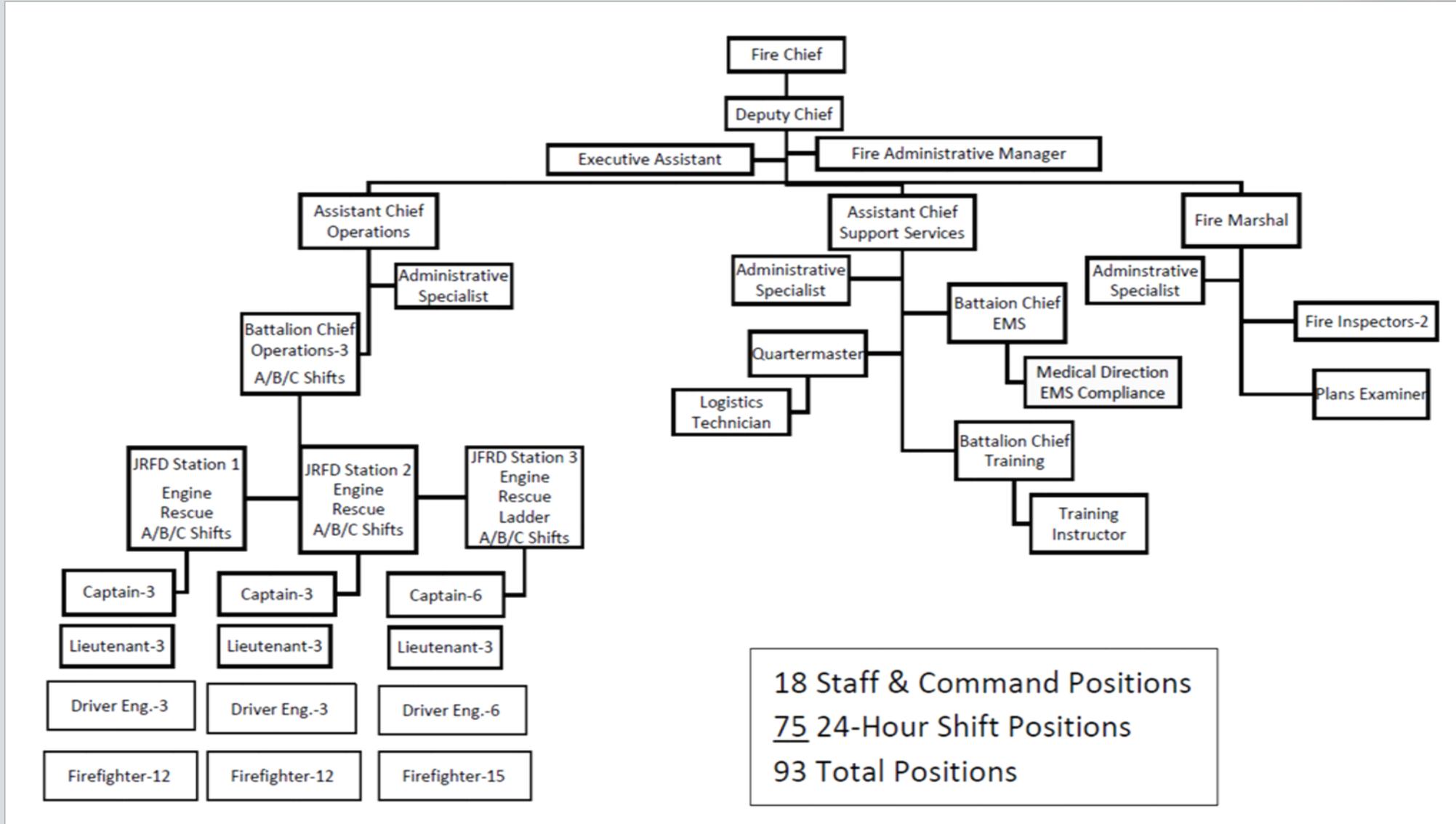
- This alternative contemplates the Town creating its own Fire and EMS department (Jupiter Fire Rescue Department or JFRD).
- For this alternative, CPSM mirrors to a great extent the same staffing and deployment model PBCFR currently has in place.
- The CPSM model does not decrease the number of apparatus and staffing in the Town fire stations and proposes a enhanced level of service for significantly less annual funding.

Potential 36 Month Plan for a Town Fire Rescue Department

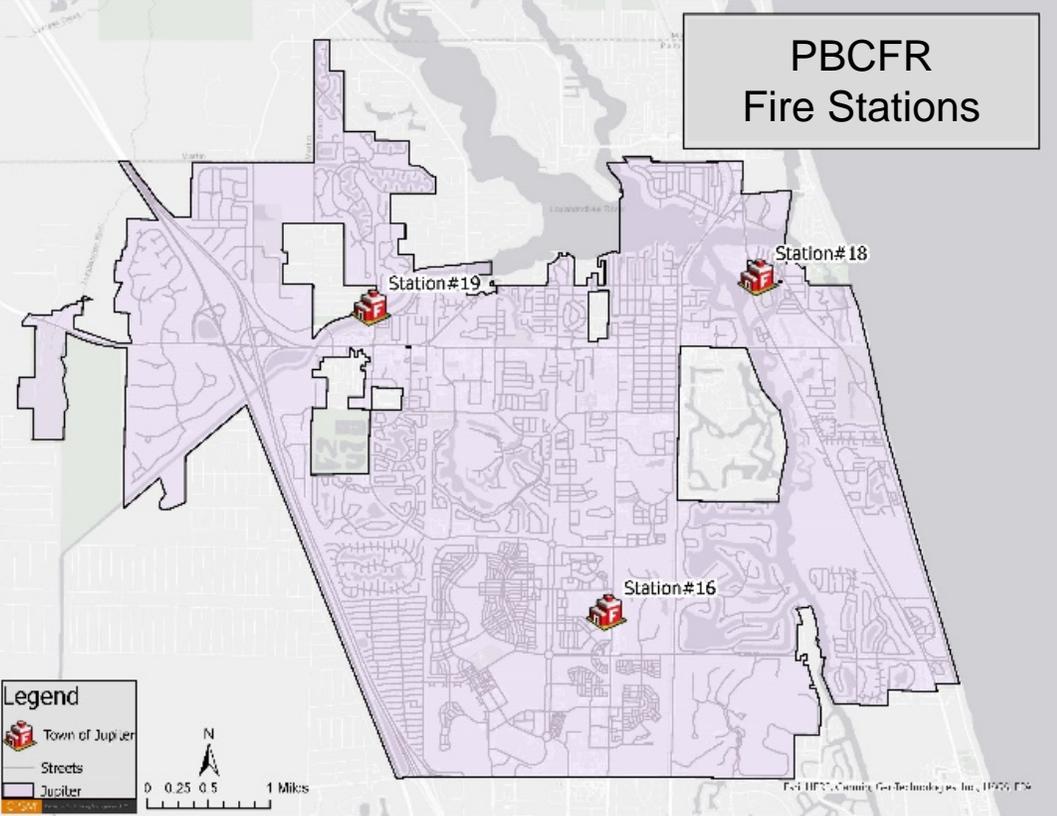
Based on current service deliverables, the community risk profile, NFPA and ISO benchmarks, Jupiter Fire Rescue Department would consist of:

- Fire Administrative and Operational Staffing: 93 personnel
- 3 Stations
- Full Community Risk Reduction Services
- Full Fire/EMS Rescue Support Services
- Establish Mutual Aid Agreements
- Continuation of Current Emergency Communications System

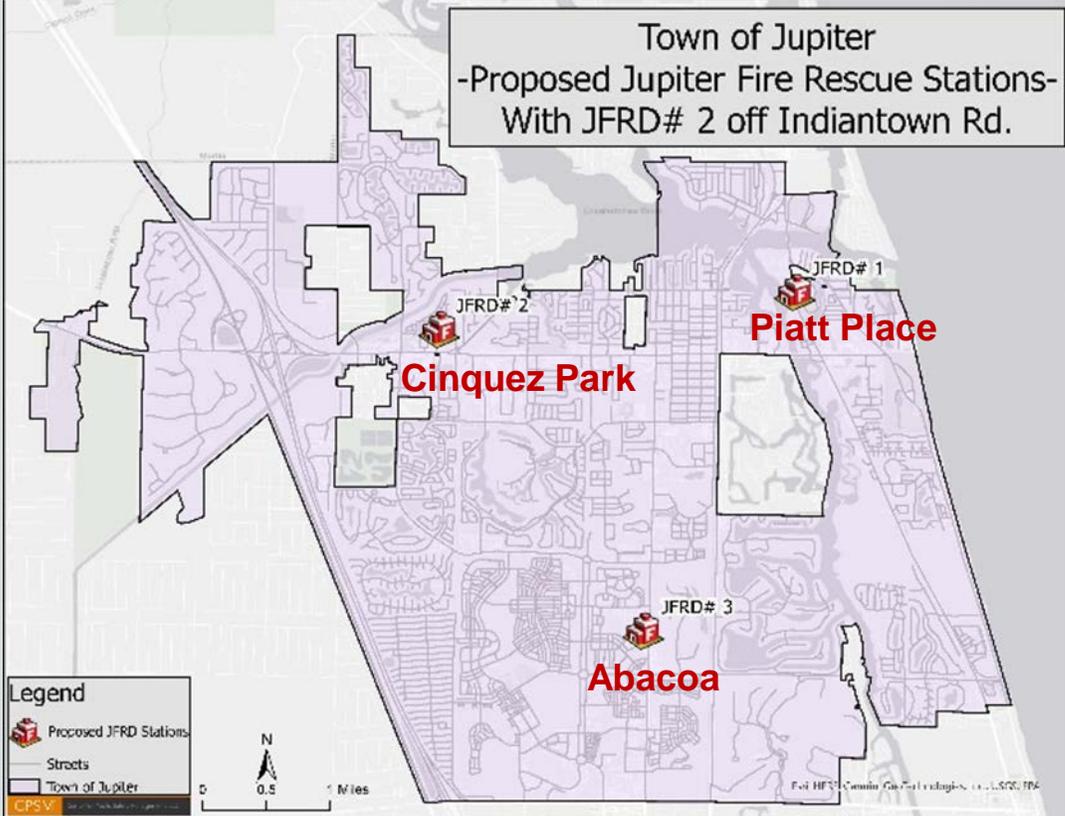
Potential 36 Month Plan for a Town Fire Rescue Department



Potential 36 Month Plan for a Town Fire Rescue Department



- 1 Squad Engine-Minimum Daily Staff: 3
- 2 Engines-Minimum Daily Staff: 3
- 3 Rescues-Minimum Daily Staff: 3



- 1 Squad Engine-Minimum Daily Staff: 3
- 2 Engines-Minimum Daily Staff: 3
- 1 Aerial Ladder: Minimum Daily Staff: 4**
- 3 Rescues-Minimum Daily Staff: 3

Potential 36 Month Plan for a Town Fire Rescue Department

- Maintain current level of service with PBCFR Emergency Communications System; consider NorthCom over the mid-long term.
- Establish Mutual Aid Agreements for complex Special Operations incidents; train and equip JFRD staff to initiate operations level scene stabilization.
- No change to EMS operational level of service; work with Medical Director to establish Mobile Integrated Health program scalable to Jupiter.
- Seek participation in the County-COPCN Pilot Program.

Potential 36 Month Plan for a Town Fire Rescue Department

Cost for a Jupiter Fire Rescue Department Comparable to PBCFR

PBCFR Costs

Description	Totals
Direct Costs	\$20,806,676
Overhead Costs	\$5,364,314
Capital Costs	\$1,071,351
Revenue from EMS Transport	(\$1,394,837)
Total Costs for PBCFR - Jupiter ILA: FY23	\$25,847,504
FY 24 - 5% Increase	\$27,139,879
FY 25 - 5% Increase	\$28,496,873

Estimated JFRD Costs

Description	Totals
Fire Department Recurring Expenses	\$19,883,741
Fire Department Revenue	(\$1,700,000)
Total Recurring Costs for JFRD First Year	\$18,183,741
FY 24 - 5% Increase	\$19,092,928
FY 25 - 5% Increase	\$20,047,574

CPSM estimates it will take 36 months to establish a Town Fire Rescue Department. Given this timeline, 5% has been added to the JFRD recurring costs for two FYs. 5% has also been added to PBCFR annualized costs as a comparable.

Potential 36 Month Plan for a Town Fire Rescue Department

Detail of Estimated First Year Recurring JFRD Costs

Categories	Fire Rescue Costs	EMS Transport Costs	Totals
Personnel Costs -Recommended (Recurring)	\$11,372,921	\$4,392,273	\$15,765,194
Operating Expenses (Recurring)	\$2,261,134	\$442,000	\$2,703,134
Replacement Reserves Capital (Recurring)	\$275,377	\$400,338	\$675,715
Replacement Reserves Vehicles (Recurring)	\$519,918	\$219,780	\$739,698
Subtotal of Recurring Expenses	\$14,429,350	\$5,454,391	\$19,883,741

Recurring Costs With Estimated Revenues	Totals
Fire Department Recurring Expenses	\$19,883,741
Fire Department Revenue	(\$1,700,000)
Total Recurring Costs for Jupiter Fire Rescue Department	\$18,183,741

Potential 36 Month Plan for a Town Fire Rescue Department

Detail of Estimated One-Time JFRD Costs

Categories	Fire Rescue Costs	EMS Transport Costs	Totals
Personnel Costs –Paramedic Incentive (One-time)	\$193,770	\$145,328	\$339,098
Capital Costs (One-time)	\$2,821,304	\$2,653,448	\$5,474,752
Vehicle Costs (One-time)	\$7,465,000	\$1,600,000	\$9,065,000
Buildings (One-time)	\$43,900,000	\$0	\$43,900,000
Subtotal of One -Time Expenses	\$54,380,074	\$4,398,776	\$58,778,850

Operational Timeline

Timeline	Action
To Be Determined	Town Council approves implementation of Jupiter Fire Rescue Department (JFRD).
Within 30 days	Hire Interim Fire Rescue Administrator to get immediate programs and processes started.
Within 45 days	Order fire apparatus-current delivery time is 32-36 months.
45 days	Advertise and hire the civilian Administrative Manager to start as soon as practical.
60 days	Begin Civil Work on Stations 1 and 2 sites.
60 days	Begin design work on 2 fire facilities.
4 months	Prepare the next fiscal year JFRD budget.
6 months	Locate and secure vendor contracts for Fire and EMS Capital and operating materials and equipment.
6 months	Begin work on operational and service agreements with neighboring jurisdictions, medical direction, emergency communications, special operations.
8 months	Locate and secure Town space for JFRD temporary storage for capital and operating materials and equipment.
12 months	Begin work on job descriptions for JFRD staff.
12 months	Begin work on JFRD policies, procedures, and guidelines with selected vendor.
12 months	Begin construction of two JFRD fire stations.
12 months	Order JFRD ambulance apparatus- current delivery time is 20-22 months.
16 months	Prepare the next fiscal year JFRD budget.
16 months	Order capital and operating equipment for JFRD Fire and EMS apparatus.
18 months	Advertise and hire one Administrative Assistant to assist with the growing administrative duties and workload of the JFRD. The goal is to have this position in place at the 20 th month.
18 months	Locate and secure a storage facility for JFRD equipment and materials.

Timeline	Action
20 months	Begin draft work on JFRD collective bargaining contract in anticipation the new workforce will organize.
20-24 months	Take delivery of JFRD ambulance apparatus.
20 th month	Advertise for a full-time Fire Chief. The goal is to have this position in place at the 24 th month.
24 th month	Advertise for a Deputy Fire Chief. The goal is to have this position in place at the 26 th month.
26 th month	Advertise for the Assistant Chief of Operations and Support Services. The goal is to have these positions in place at the 28 th month.
24 th month	Advertise and hire the JFRD Quartermaster. The goal is to have this position in place at the 26 th month to begin inventory and supply chain set-up of capital and operating equipment.
24 th month	Advertise and hire the Battalion Chief of EMS. Goal is to have this position hired at the 26 th month to begin work with the Medical Director and on the COPCN Pilot Program.
24 th month	Advertise and hire the JFRD Executive Assistant. The goal is to have this position in place at the 26 th month
26 th month	Advertise and hire operational Captains, Lieutenants, Driver Engineers, and Firefighters. Goal is to have this staff hired at the 34 th month.
28 th month	Advertise and hire operational Battalion Chiefs. Goal is to have this staff hired at the 32 nd month.
28 th month	Advertise and hire the Battalion Chief of Training. Goal is to have this position hired at the 30 th month to begin work on JFRD incoming staff training program.
29 th month	Advertise and hire the Logistician, and two remaining Administrative Assistants. Goal is to have these positions hired at the 32 nd month.
30 th month	Advertise and hire the Fire Marshal. Goal is to have this position hired at the 33 rd month.
31 st month	Advertise and hire the Fire Inspector and Plans Review positions. Goal is to have this position hired at the 34 th month.
32 nd month	Prepare the next fiscal year JFRD budget.
32-34 months	Take delivery of JFRD fire apparatus.
32-34 months	JFRD staff begins on-boarding training and on JFRD apparatus.

Timeline for Implementation

Timeline	Action
34-36 months	JFRD Fire Marshal's Office transitions in and assumes responsibility for all Community Risk Reduction programs.
36 months	<i>JFRD Operational Units and Staff Go Live at 8:00 am on a Designated Day.</i>



Recommended Organizational Goals for JFRD

1. ISO-PPC Community Rating of 1: Commence work on day one with a goal of achieving a Class 1 Rating on the second Town review.
2. Develop an Organizational Strategic Plan: Commence on the 12th month
3. Commission of Fire Accreditation International: Commence on the 24th Month
4. Commission on Accreditation of Ambulance Services (CAAS): Commence on the 48th Month





— TOWN OF —
JUPITER

Town of Jupiter Fire and EMS Funding Plan

01/17/2023



Why a Funding Plan for a Town Fire Department?

As indicated in the CPSM report:

- The Town was notified in July, 2022 that the County did not wish to renew the interlocal agreement for fire rescue services utilizing the actual cost methodology that has been in use for a number of years.
- PBCFR's proposal included a substantial increase in the Jupiter MSTU:
 - FY 2023 MSTU rate of 1.8713 to an FY 2028 MSTU rate of 3.4581.
 - No new services; move to a straight tax rate cost methodology.
 - No ambulance transport fee credit (approximate annual average of \$1.3-\$1.4 million).
 - Increase from the FY2023 budget of \$26 million to just over \$62 million in a five year period.



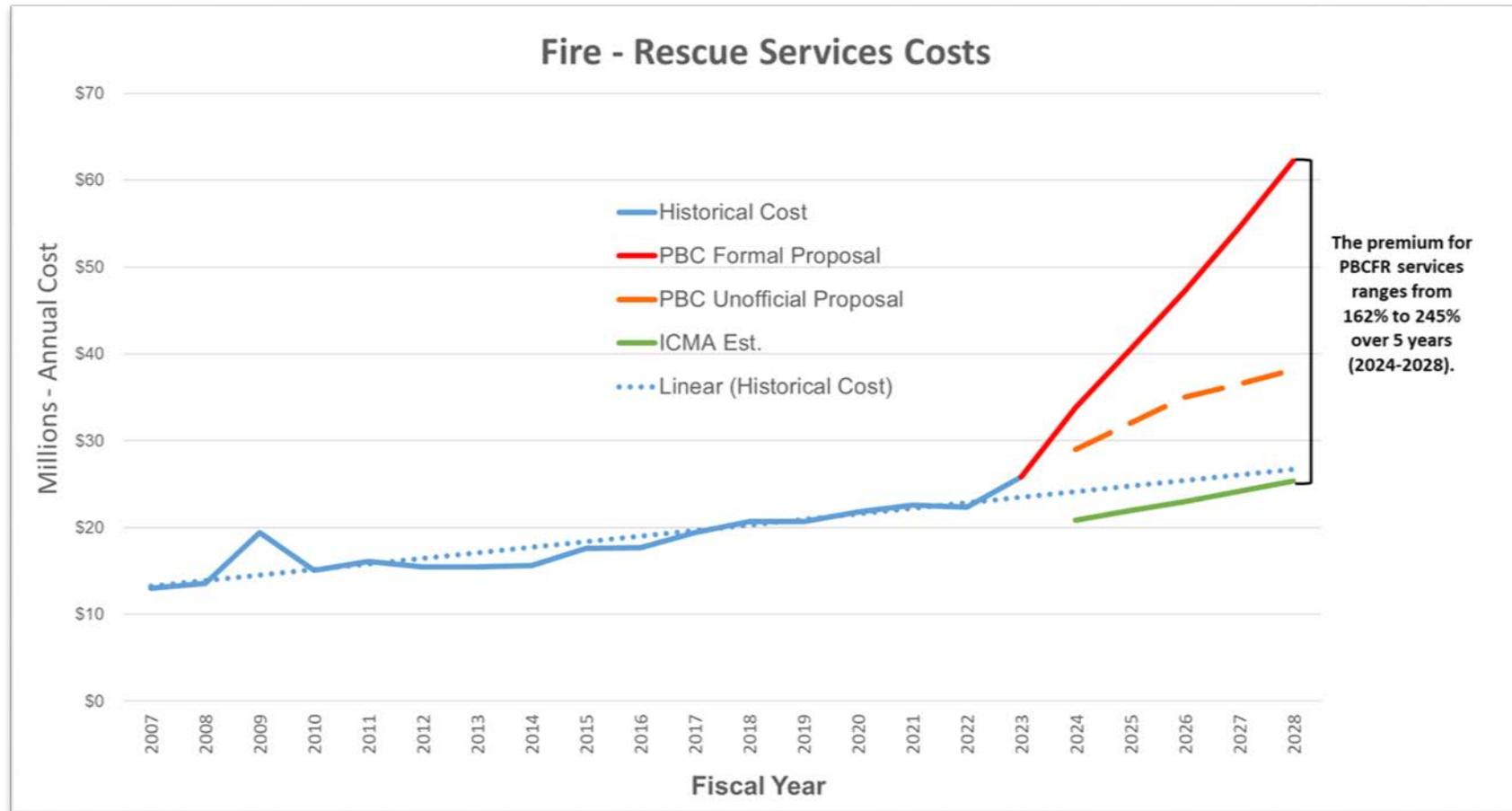
Why a Funding Plan for a Town Fire Department?

- An unofficial funding option was given to the Town by PBCFR in November which went from a millage-based option to a budgetary option which increased the funding from \$26 million in FY2023 to just over \$38 million in five years.
- Neither of the listed proposals are fair and equitable for the Jupiter tax payer, which required the Town to seek other options for providing fire and emergency medical services.



Jupiter Fire Department - Sustainability

- The historical trend for the cost of fire services from PBCFR to the Town compared to the proposal by PBCFR and the estimates by ICMA/CPSM are shown below.
- The PBCFR proposal represents a significant premium for the same level of service; the ICMA/CPSM Jupiter Fire Department model is below the trend line, increasing in future years to closely match the trend.



In addition to local control of costs going forward, the option of a Jupiter Fire Department allows for local control of services offered to the citizens of Jupiter.



Recurring and Start-Up Costs for ICMA/CPSM Model

- Funding includes a mixture of recurring expenses, one-time operational expenses and start up capital. All of these costs will occur over multiple years until the department is fully operational.

- There are two expense categories:
 - **Fire expenditures**
 - **EMS transport expenditures**

These different categories of expense types will become important as we move into the different types of funding available for these services.

Operating Budget	Fire Rescue Costs	EMS Transport Costs	Total Fire Department Costs
Personnel Costs -Recommended (Recurring)	\$11,372,921	\$4,392,273	\$15,765,194
Operating Expenses (Recurring)	2,261,134	442,000	2,703,134
Replacement Reserves Capital (Recurring)	275,377	400,338	675,715
Replacement Reserves Vehicles (Recurring)	519,918	219,780	739,698
Year 1 - Annual Operating Cost	\$14,429,350	\$5,454,391	\$19,883,741
Capital / Start Up Costs	Fire Rescue Costs	EMS Transport Costs	Total Fire Department Costs
Personnel Cost - Paramedic Incentive (One-Time)	\$193,770	\$145,328	\$339,098
Capital Costs (One-time)	2,821,304	2,653,448	5,474,752
Vehicle Costs (One-time)	7,465,000	1,600,000	9,065,000
Buildings (One-time)	43,900,000	0	43,900,000
Total Capital	\$54,380,074	\$4,398,776	\$58,778,850



Up-front Capital

- The up-front capital costs consists of the purchase of fire and EMS transport vehicles, fire station construction and equipment necessary to outfit the vehicles and stations.
- Vehicle purchases will require a 36 month lead time for ordering and manufacturing utilizing the state contract.
- Estimates for the construction of two new stations in Jupiter and upgrades to the existing Abacoa Station are included.
- Total cost = \$58,439,752

Capital - Funding Sources	
	Ad Valorem
EMS Transport	
Capital	2,653,448
Vehicles	1,600,000
Total	4,253,448
	Non-Ad Valorem Assessment
Fire - Capital	
Capital	2,821,304
Vehicles	7,465,000
Buildings	43,900,000
Total	54,186,304
Grand Total	58,439,752



Funding Approach: Capital (Fire portion Only)

- Diversity in funding will be required to fund up-front capital needs, then ultimately the ongoing operations of the Jupiter Fire Department.
 - A mixture of reserve funding for the purchase of vehicles and equipment (G/F reserve bridge loan for fire/EMS equipment) \$14,539,752
 - Bonding (loan) for the construction of stations \$43,900,000
- To secure these loans a non-ad valorem assessment will be used. The assessment can only be used for “fire items”.
 - Fire vehicles = \$7,465,000 15 Years
 - Fire capital = \$2,821,304 15 years
 - Fire stations = \$43,900,000 20 years
 - Total \$54,186,304
- Once the loan is funded, the fire vehicle and fire capital funding will pay back the required bridge loan from the General Fund of \$10,286,304.



Debt Issuance Estimates

- Bond issuance for start-up capital and station construction = \$54,186,304
 - Two loans (secured by non-ad valorem assessment):
 - Fire capital & vehicle purchase 15 year term = \$10,286,304
 - Station construction 20 year term = \$43,900,000
- Annual debt payment:
 - Fire capital/vehicles = \$711,166
 - Station construction = \$2,302,164
 - Total annual P/I payment = \$3,013,330
- Total interest paid over the life of the loan = \$2,524,465



Fire Funding

- Non-ad valorem assessment (fire portion only): To fund on-going operations of the department and service the debt required for start up. The Town will be required to hire a consultant to facilitate the necessary study to implement a non-ad valorem assessment.
- Assessment is based on property type, residential, commercial industrial and vacant land (not driven by property value).

Non-ad valorem assessments:

- Service funded by the assessment must provide a specific benefit on the land burdened by the assessment.
- Florida case law provides that funding from special assessments may not be used to fund emergency medical services (EMS) and those costs can not be included in any proposed assessment.



EMS Transport Funding:

- To fund the annual operations and capital needs for EMS transport services, ad valorem funding (millage) will be needed, off-set by transport revenues.

- EMS transport cost:

- Estimated annual operating cost \$5,599,719
- Estimated annual transport revenue (\$1,400,000)
- Net annual cost \$4,199,719



Annual Funding: Budget

- Using the direct cost assessment method it is estimated the annual cost for fire service including debt service will be = \$17.3 Million
- Estimated annual EMS cost minus transport revenue will be = \$4.2 Million.
- Based on this cost and using the FY23 Town property values an EMS millage of 0.2977 will be needed.

- FY 2023 Town Millage = 2.4633
- EMS Millage = 0.2977
- Total New Millage = 2.7610

FY 2023 Fire Operating Millage = 1.8713

Budget by Funding Option	
Non-Ad Valorem Assessment Funding - Fire Operations	\$13,827,825
Non-Ad Valorem Assessment Funding - Fire Capital Reserves	275,377
Non-Ad Valorem Assessment Funding - Fire Vehicle Reserves	519,918
Non-Ad Valorem Assessment Funding - Fire Debt Equipment	711,166
Non-Ad Valorem Assessment Funding - Fire Debt Building	2,302,164
Minus Fire Inspection/Plan Review Fee Revenue	(300,000)
Non-Ad Valorem Assessment Fire Cost	\$17,336,450
Ad Valorem Funding - Operations Budget	\$4,979,601
Ad Valorem Funding - EMS Capital Reserves	400,338
Ad Valorem Funding - EMS Vehicle Reserves	219,780
Minus Transport Revenue	(1,400,000)
Ad Valorem EMS Cost	\$4,199,719
Total Projected Annual Cost	\$21,536,169



Diversity in Funding Sources

- Current staff recommendation for the annual funding of the Town’s fire department is to fund the fire portion of expenses from a non-ad valorem assessment and EMS costs from ad valorem dollars.
 - Using this blended method of funding will create a more consistent revenue stream for the funding of fire related items (and safe-guard against property value reductions due to volatility in market conditions).
- If the Council wished to fund the entire operating budget from ad valorem taxes a fire/EMS funding millage rate based on current housing values and projected operating costs would be:

• Town millage	2.4633	• Town Millage	2.4633
• Town Fire FY28 millage EST.	<u>1.4831</u>	• FY28 MSTU Millage Est.	<u>3.4581</u>
• Total new Town millage	3.9464	• Total town millage	5.9214

- Current FY23 PBCFR millage rate* 1.8713

*PBCFR millage rate counts towards the Town’s millage cap.



Annual growth and comparison to PBCFR

- Using an annual growth assumption of 5% a year going forward and comparing the current PBCFR formal proposal to the ICMA/CPSM model, the Town could save just over \$116 million over a five year period.

ESTIMATED FIRE BUDGET BASED ON PROPOSALS AND ASSUMPTIONS

Tax Year	County Proposal	ICMA/CPSM Est.*	Savings
FY2024	\$33,805,734	\$22,191,258	(\$11,614,476)
FY2025	\$40,454,200	\$23,235,154	(\$17,219,045)
FY2026	\$47,227,210	\$24,331,246	(\$22,895,965)
FY2027	\$54,479,066	\$25,482,141	(\$28,996,924)
FY2028	\$62,235,506	\$26,690,582	(\$35,544,924)

* Includes debt service cost

**\$550,000 Homesteaded Property
Resident Tax Bill Impact - Proposal Comparison**

Tax Year	County Proposal	ICMA/CPSM Est.*	Annual Savings
FY2024	\$1,146	\$752	(\$394)
FY2025	\$1,306	\$750	(\$556)
FY2026	\$1,466	\$755	(\$711)
FY2027	\$1,626	\$761	(\$865)
FY2028	\$1,786	\$766	(\$1,020)

*Millage only funded Fire/EMS



Timeline – Funding Events

Fiscal Year	Items	October	November	December	January	February	March	April	May	June	July	August	September
2023	Council Approves County ILA for Service												
	Council Decision - Start Fire Department												
	Hire Fire Chief												
	Design and Architecture Consultant - Design and Cost out Fire Stations												
	Order Fire and EMS Vehicles off State Contract - 32 Months (cash)												
	Non-Ad Valorem Assessment Study - (Debt Service for Building Construction/Update for 1/2 yr. Operating Budget to start in June of 2025)												
2024	Fire and EMS Vehicles on Order												
	Non-Ad Valorem Assessment Study - (Debt Service for Building Construction/Update for 1/2 yr. Operating Budget to start in June of 2025)						Set Budget Roll and Budget Process (1/2 Yr Operating & Debt Service) - TRIM						
	Bond Council - Debt Issuance												
	Issue Bonds - Buildings & Vehicles												
	Hire Contractor to Construct Fire Stations												
	Construct Fire Stations												
2025	Fire and EMS Vehicles on Order												
	Non-Ad Valorem Assessment Study - (Update for Full Year Operating Budget - FY26)												
	Start Collecting - Non Ad-Valorem Assesment for Debt Payments and 1/2 Year Operating Cost.												
	Start collecting ad valorem taxes for EMS services												
	First Bond Payment Due												
	Advertise/Hiring Process of all Fire and EMS Positions - 9 Month Process												
	Hire Full-Time Staff												
Construct Fire Stations													
2026	Fire and EMS Vehicles on Order												
	Fire/EMS Turn-over from County (Jupiter Fire is Live)												
	Full Year collecting ad valorem taxes for EMS services												
	Collect - Non Ad-Valorem Assesment for Debt Payments and Full -Year Operating Cost.												

