FISCAL IMPACT BRIEFING

Fire Rescue Under the Proposed Exemption

Operational and budgetary effects of the phased homestead exemption expansion on Martin County Fire Rescue, FY 2028 and FY 2029.

Presented to the Board of County Commissioners

STRUCTURAL EXPOSURE

One Revenue Stream, No Backstop

Fire Rescue is funded almost entirely through a Municipal Service Taxing Unit. There is no separate fire assessment to offset a reduction in the taxable base.

TAXABLE VALUE × MILLAGE RATE = REVENUE

The exemption reduces taxable value. Millage is capped. Revenue falls by the same proportion.

- **MSTU-funded** — No separate fire assessment exists to absorb the loss.
- **Personnel-heavy** — Most of the budget is salaries. A cut this size cannot be absorbed without reducing people.

TWO-YEAR REDUCTION

$16.5M

removed from emergency services by FY 2029.

Roughly one dollar in five.

District-specific projections remain pending from OMB.

PHASED IMPACT

The Exemption Arrives in Two Steps

If approved in November, the reduction is immediate and compounding — the second year lands on a budget already reduced by the first.

YEAR ONE / FY 2028

$150,000 additional homestead exemption

–$9.5M

12% budgetary reduction

YEAR TWO / FY 2029

$250,000 homestead exemption

–$7.0M

10% budgetary reduction

COMBINED ≈ **$16.5 million** — roughly one dollar in five removed from emergency services.

YEAR ONE / FY 2028

Every Cut, and What It Costs on the Street

REDUCTION	AMOUNT	RUNNING	OPERATIONAL EFFECT
Close Station 18	$390,269	$390,269	First-due coverage for the entire Sta. 18 zone eliminated. Responses come from Sta. 16 or City of Stuart Sta. 3.
Close Station 33	$390,269	$780,538	First-due coverage for the entire Sta. 33 zone eliminated. Responses come from Sta. 30 or Sta. 32.
13 DROP retirements not refilled	$2,600,000	$3,380,538	13 fewer firefighters on shift without a single layoff notice. Remaining crews absorb the workload.
9 vacancies frozen	$963,000	$4,343,538	Hiring stops. Brownouts begin.
Overtime slashed	$1,450,900	$5,794,438	Units go out of service when daily staffing dips. Coverage becomes unpredictable day to day.
Special teams eliminated	$381,276	$6,175,714	Hazmat, TRT, and MRU end. Specialty rescue depends on mutual aid from outside the county.
Capital & equipment deferred	$3,095,900	$9,271,614	Apparatus, bunker gear, air packs, and cardiac monitors all age in service — detail follows.
LifeStar eliminated	$100,000	$9,371,614	No aeromedical trauma transport within the county.
Paramedic sponsorship ended	$150,000	$9,521,614	The paramedic pipeline closes; ALS gaps widen as medics retire.
Cadet program ended	$5,000	$9,526,614	The local recruiting pathway for the next generation of firefighters ends.
TOTAL YEAR-ONE REDUCTION			**$9,526,614**

LINE SEVEN, EXPANDED

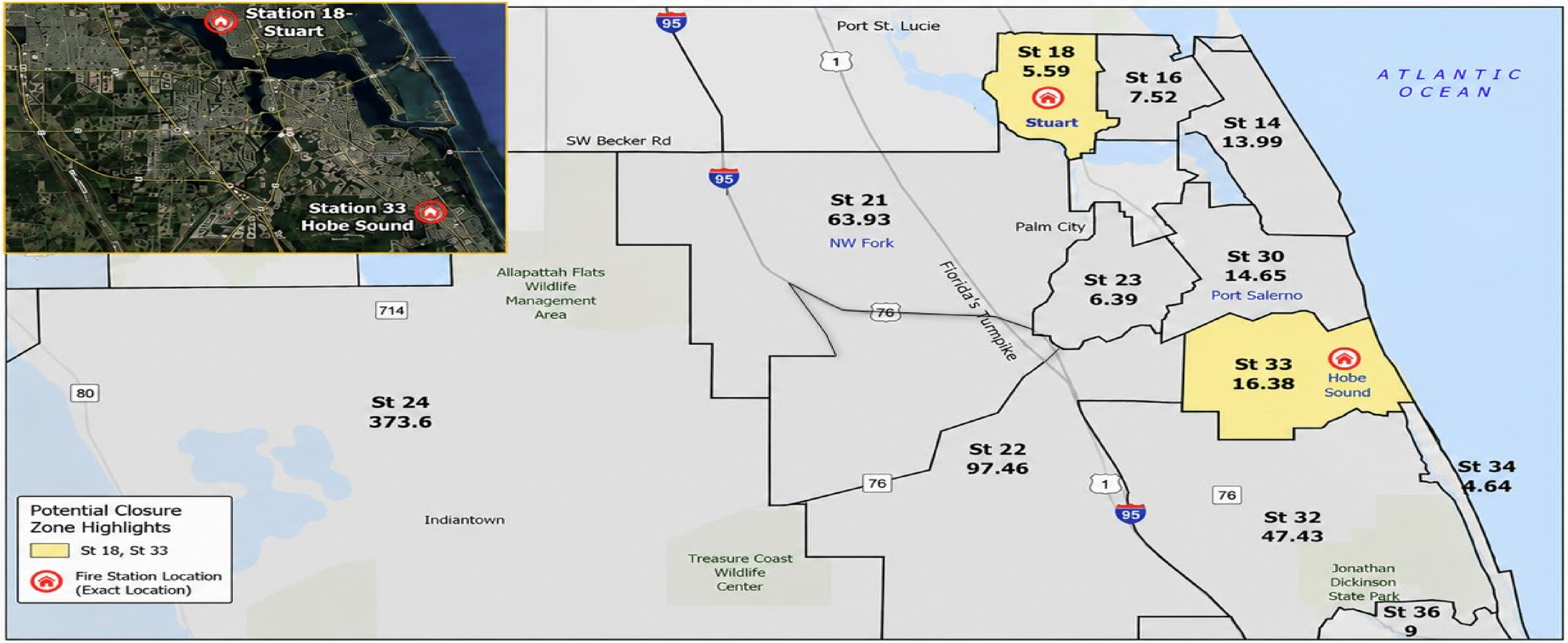
Capital & Equipment — How $3.1M Adds Up

These are not wants. This is the equipment that protects firefighters, gets them to the call, and lets them do the job of saving lives.

Unobligated apparatus lease payments	$1,200,000	Engine and rescue replacement pipeline stops; frontline apparatus run past the NFPA 15-year lifespan.
Bunker gear, extrication equipment & MRU	$835,900	PPE worn beyond NFPA service life; the tools that cut victims from wrecks are not replaced.
Fixed Asset Replacement Budget (FARB)	$600,000	Facilities maintenance unfunded; necessary replacements cannot be adequately repaired.
Zoll cardiac monitors	$250,000	Defibrillators run past their 8–10 year lifespan. Risk of failure when critically needed.
SCBA air packs	$200,000	SCBA run past their 15-year lifespan — the equipment that lets firefighters breathe inside a fire.
AEDs in County parks	$10,000	Public-access defibrillators never reach County parks.

DEFERRAL IS NOT SAVINGS — IT IS A BILL MOVED, WITH RISK CARRIED IN THE INTERIM **$3,095,900**

MCFR Station Zone Square Miles – Potential Closures If FL Homestead Bill Passes in November



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Station Zone Square Miles

- All Other Station Zones
- Potential Closure Zones (St 18, St 33)

0 2.5 5 10 Miles

N

INSURANCE IMPACT

Effects on the County's ISO Rating

Fewer stations and thinner staffing don't only slow response — they raise the County's ISO rating, the score insurers use to set **every homeowner's and business's fire premium.**

01

STATIONS CLOSE

Engine companies and first-due coverage removed. Distance to station and travel time are graded directly.

02

STAFFING DROPS

Cut overtime, frozen seats, and unfulfilled vacancies reduce on-duty firefighters — the largest graded factor.

03

EQUIPMENT AGES

Deferred apparatus, pumps, and gear lose credit. Reserve apparatus and pump capacity are scored.

A two-class downgrade (Class 2 → 4) can raise residential insurance premiums roughly **5–20%** — applied to **every insured property in the affected area, every year.**

A property tax reduction lowers what an owner pays the County. An ISO downgrade raises what that same owner pays their insurer — a cost that returns no public service.

THE ALTERNATIVE PATH

If the Services Stay, the People Go

Everything on the Year-One ledger can be avoided — every station held open, every program preserved, every piece of equipment replaced on schedule. The reduction does not disappear. It simply has only one place left to land.

This is the alternative to the cut list — not an addition to it.

The same $9.5M, absorbed entirely by personnel.

> *Nearly one in five members of the force protecting Martin County today.*

64

FIREFIGHTERS

the Year-One reduction, expressed in people

YEAR TWO / FY 2029

And Then the Second Step Lands

Year Two lands on a department that has already absorbed the first cut. The stations are already closed. The programs are already gone. The capital is already deferred. There is no slack left to find.

−$7.0M

FURTHER REDUCTION

on top of Year One's $9.3M

STATION 23

CLOSED

the third zone goes dark

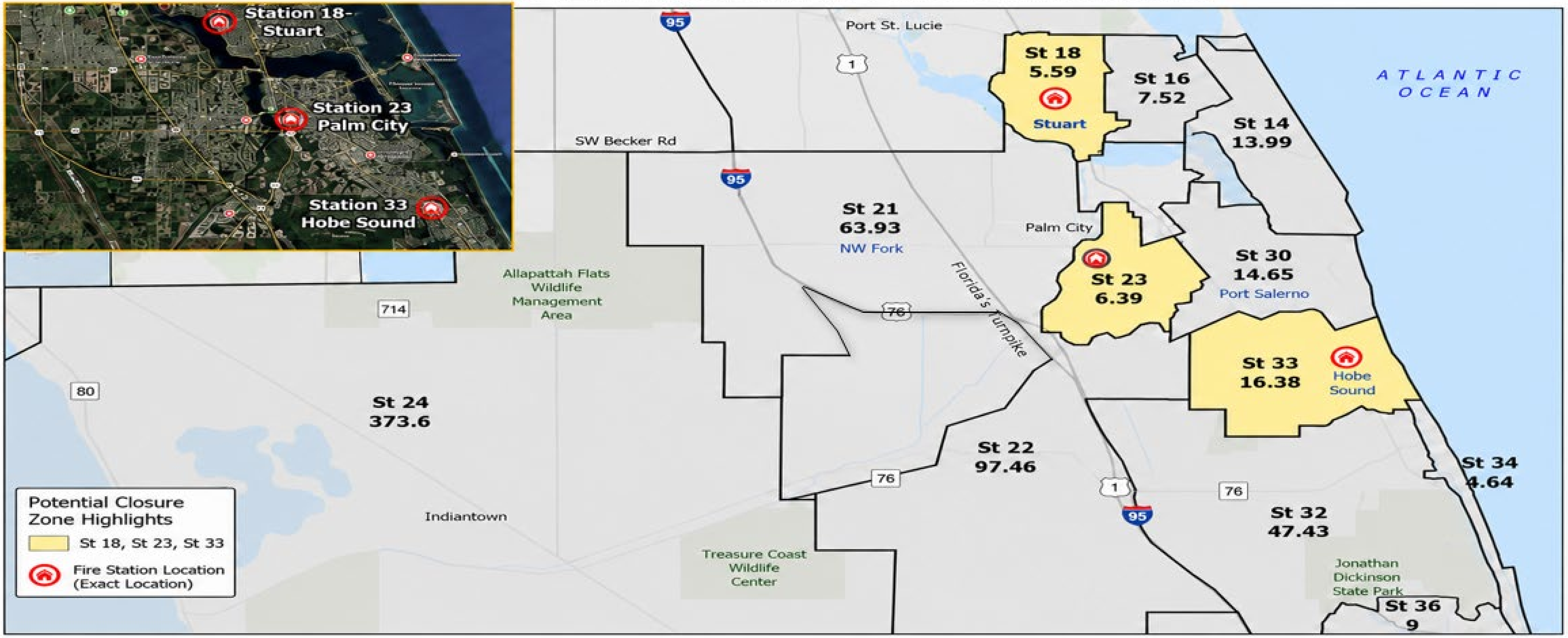
52

POSITIONS LAID OFF

$7.1M in personnel

There is nothing left to cut. Year Two is not attrition — it is 52 people told to go home.

MCFR Station Zone Square Miles – Potential Closures
If FL Homestead Bill Passes in November



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Station Zone Square Miles

- All Other Station Zones
- Potential Closure Zones (St 18, St 23, St 33)

0 2.5 5 10 Miles

N

116

FIREFIGHTERS

64 in Year One · 52 in Year Two

Roughly one in three of the firefighters protecting Martin County today.

CUT THE SERVICES

Close three stations. End Hazmat, dive, and technical rescue. Ground LifeStar. Run apparatus, SCBA, and cardiac monitors past their service life.

Then we cannot respond.

KEEP THE SERVICES

Hold every station, every special team, every program on the books — and absorb the entire reduction in personnel instead.

Then we cannot staff them.

There is no version of this in which the department stays whole.