

Fire Protection Associations versus Fire Protection Districts

Entity Differences

Area	Association	District
Recognition/Official Status	Governed by nonprofit corporation law (NFP) law (355) and five FPA statutes (320)	Governed by numerous statutes: FPD (321), Sunshine (610), budgets (67), elections (115), etc.
Geographic Boundaries	Defined by bylaws Driven by membership	Legally determined by petition, court hearings election results and court decree Formal process for changing boundaries
Membership	Defined by bylaws Voluntary inclusion or termination	Compulsory, including railroads and utilities Collector may sell property for back taxes
Government Surplus	May qualify Secondary priority	Fully qualified Primary priority
Property Insurance Rates	Typically higher	Typically lower
Eminent domain and Commandeering Property	Not allowed	Full power of the government within a statutory process
Annexation Impact	No protection if city has a municipal fire dept	Limited protection if city has a municipal fire dept; Five year, graduated buy out of lost revenue for most FPDs Annexed areas must still retire bonds
Ordinances and Fire Codes	Not enforceable	Enforceable by courts including penalties of fine and/or imprisonment
Private Provider Contract	Board of Directors (BOD) decision	Election approval required
Municipality Purchasing Protection from FPD	BOD determined fee	Fee must equal FPD tax rates

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Ambulance/EMS	Licensed by BEMS through needs assessment	Monopoly on emergency service Election approval required
Referendum	Defined by bylaws	Allowed by initiative petition Election approval of petition required

Financial Differences

Employee Bonus	BOD decision	Unconstitutional
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Board of Director Differences

Elections	Defined by bylaws and NFP law Minimum of three directors BOD could be perpetual BOD could elect directors instead of members	Legal qualifications and limitations Generally three or five directors elected biannually Six-year term Election at FPD expense
Recall Elections	Defined by bylaws	Allowed for by initiative petition
Liabilities	Civil	Civil and criminal
Meeting Notices	Defined by bylaws and NFP law	Generally twenty-four hour previous notice Some notices must be published, e.g., tax rate hearing
Meetings	Open or closed at BOD discretion NFP law requires only an annual meeting Nonmembers can be excluded	Open to everyone with few exceptions BOD must meet monthly
Attendance Fees	BOD decision or defined by bylaws	Optional, set by BOD with constitutional and statutory limitations

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Vacancies	Defined by bylaws	BOD fills if two or more elected directors remain; Court fills if otherwise Election to fill unexpired term, if any, at next biennial election
Nepotism	BOD decision or defined by bylaws	Unconstitutional to the fourth degree of blood or marriage
Alphabet Soup (FMLA, EEOC, ADA...)	May or may not be applicable or BOD decision	Mandatory compliance with few exceptions

Finance Differences

Financial Support	Subscription fees Contractual fees	Property and sales taxes and emergency services fees Tax increases require voter approval
Collection of Monies	Notices and dunning notices Insurance companies billed Sue to collect monies	Assessor assess property values; FPO sets property tax rate; collector collects property taxes and forwards most of the revenue to FPD Collector can sell property to satisfy property taxes FPD sets sales tax rate; merchants collect sales taxes and forwards revenue to State; State forwards most of the revenue to FPD State can sell property to satisfy sales taxes Insurance companies billed to collect emergency services fees
Bonding	BOD decision or defined by bylaws	Required for directors and treasurer
Financial Reporting	According to NFP Generally Accepted Accounting Principles (GAAP) According to Internal Revenue Service (IRS)	According to governmental accounting GAAP Full disclosure according to Sunshine Law Detailed reporting to County due April 1st Detailed reporting to State (date varies)

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	BOD decision	Audits sometimes necessary
Budget	BOD decision	Required before tax rates can be set Disbursements cannot exceed the budget plus beginning monies on hand
Borrowing	BOD decision	BOD approved short term debts Voter approved bonds for long-term debt Voter approval is 2/3rds or 4/7ths majority for bonds Ceiling of bonds is 5% of assessed valuation
Building Construction and Major Repairs	BOD decision	Generally must follow prevailing wage law
Purchasing	BOD decision	All expenditures > \$10,000 must be bid Insurance policies bid every 3rd year Conflict of interest purchases < \$500 per year Many other legal requirements