

MINUTES, FIRE ASSESSMENT PUBLIC MEETING  
AUGUST 23, 2018 7:00 P.M.  
COUNCIL CHAMBERS, 1 S CENTRAL AVENUE, UMATILLA, FL

**President Wright** led the pledge and **Clerk Howard** gave the invocation.

**President Wright** gave information on public participation procedures.

**Meeting called to order at 7:03 p.m.**

**ROLL CALL**

IN ATTENDANCE: President Laura Wright; Vice President Brian Butler; Council members Katherine Adams, Eric Olson; Scott Purvis; Public Works Director Aaron Mercer; Police Chief Adam Bolton; Fire Chief Shane Lanoue; Finance Director Regina Frazier; City Manager Scott Blankenship; City Clerk Karen Howard

ABSENT: Mayor Mary Johnson

**FIRE ASSESSMENT PRESENTATION**

**Finance Director Regina Frazier** noted when we talk about the city's budget and financial position there are three things that we always keep in mind. Number one, the city should have sound fiscal sustainability meaning we are able to handle current expenditures for services provided as well as any unknown expenditures such as natural disasters, unfunded mandates by state and preparing for potential future impacts such as the proposed constitutional amendment for an additional \$25,000 Homestead Exemption that will be voted on in the fall.

We also look at the equitable burden for the taxpayers, which should be an equitable share for the services provided by the city. We do this by examining our rates and fees and each year try to develop the best methods for the funding of services.

The third thing we look at is that the city provides the residents with a high level of service. The citizens have come to expect that and we have to ensure there is sufficient revenue to maintain our high-level standards.

We looked at three alternatives during the budget process to fund revenues to support our services this year. The first alternative was to adopt a Fire Assessment Fee. Fee is utilization based and supported by a comprehensive study. This type of funding provides a more equitable distribution for the funding of fire protection services.

The second alternative is to increase the millage rate charged to all property owners in the city. This alternative places an unfair burden on higher valued properties on the city. This was shown on the TRIM notice as the maximum amount we could charge.

The third alternative is to outsource Fire Services to the county. There are a number of reasons we do not believe this is the right alternative for our residents including higher property insurance rates and higher costs for fire services paid to the county. Residents would have to pay both the county's fire assessment as well as an additional fire district tax the county imposes.

**Ms. Frazier** explained the proposed two mill increase generates approximately \$76,000 less than the proposed Fire Assessment fee. The millage increase places a disproportionate burden on newer homes, commercial, industrial, and institutional properties.

An analysis of current homeowners shows 45% of residents pay less than \$200 in city taxes annually. Based on the fire study completed, they would be contributing a maximum of \$58 a year towards all other governmental services including police protection, roads and streets maintenance, median and park maintenance, and everything else the city does.

We have looked at the numbers for the potential additional homestead exemption and the city would expect to lose approximately \$34,000 if the amendment passes. This would mean that even more homeowners would pay less than \$200 a year. This increases the costs to the rest of the property owners in the city.

We do not believe outsourcing fire services to the county is in the best interest of our citizens for several reasons. The city has a better ISO (Insurance Services Office) rating than the county. Property insurance companies look at ISO ratings when determining homeowner's insurance premiums.

The county charges both a County Fire Assessment and a Millage for fire services. There is a sheet showing the difference between the city and county rates.

Other factors to consider is the loss of administrative control over the Fire Department. We would have to contract with the county for support of city events or risk slower response times if an issue arose during an event and we did not have our own fire staff there. The city would most likely be served by the station at CR42 in Altoona, which is staffed at the same level as our department.

Under **Chief Lanoue's** leadership, our firefighters continue to train at a higher level than the county as well as most other cities. In the past year along our firefighters completed more than 1600 hours of training. We also have control over our staffing and can increase or decrease as needed. During the last year there was only one day that coverage fell below two firefighters on duty. The out of service times are very minimal for training or maintenance.

**Ms. Frazier** provided information on the City Fire Assessment study prepared by consulting firm Government Services Group (GSG). Four options were presented at a Council meeting in May and the Council chose one of the lower options at \$142 per residential property. The option selected funds two contracted firefighters on duty 24/7/365. This equates to \$11.67 per month for residential property owners. Council elected not to go with higher rates

**Sandi Walker** of GSG provided background of GSG. The company has been in business for twenty years and has performed over 250 special assessment programs in Florida and over 100 fire assessments. We have testifies and been acknowledged by the courts as experts in the development and implementation of fire assessments.

**Ms. Walker** has specifically worked with eight of the fourteen cities in Lake County: Fruitland Park, Leesburg, Mascotte, Minneola, Montverde, Mount Dora, Tavares, and Umatilla.

A fire assessment is a home rule revenue source. It is not statutory driven; it is driven by case law. There are two prongs to the case law, the first of which is it must be a benefit to property. The courts have said fire services provide a benefit to property. EMS services do not provide a benefit to property but Umatilla does not have an EMS component. Umatilla is a first responder department so all of your services are fire protection.

The second prong is that a fire assessment has a fair and reasonable apportionment. During our study, we looked at the fire services and determined a fair way to apportion it to the benefitted properties.

GSG used the Historical Demand Methodology to determine the assessment. It is court tested and approved. Our company looked at who is demanding the services from your Fire Department, what types of properties are demanding the services based on the initial response and treats all calls equally. Single-family residential properties pay equally regardless of the size.

**Ms. Walker** said this methodology was most recently looked at in 2010 by the Fourth District Court of Appeals and upheld by the court.

The four primary data components in the study include:

- Service delivery  
The department is a First Responder and all of your calls and costs can go into funding by a Fire Assessment. We looked at your available fire flow based on your city's resources and a non-residential square foot cap is 46,000 square feet in your city. You have two buildings that exceed the cap, but there are mutual aid agreements in place and resources from outside the city would respond. When performing the study it is bases solely upon the city's resources. All the areas in the city benefit from your fire services.

- **Cost Apportionment**  
We look at call data; who is driving what calls and the calls going to residential, commercial, institutional, warehouse, and nursing home. We divide the budget using that information.
- **Parcel Apportionment and Preliminary Assessment roll**  
We look at all the parcels in the city and look at the buildings on them. We look at the number of dwelling units, the square footage, the type of uses based on the Property Appraiser's records.
- **Fire Department Budget**  
We developed a five-year average budget. We do an average budget for a consistent average over a five-year period.

The Cost Apportionment is the key component based on historical demand. This determines the split of the budget among the categories demanding services.

- Residential properties use 64.12% of your resources
- Institutional (schools, churches, hospitals) use 15.39%
- Nursing Home use 10.05%
- Commercial use 10.05%
- Industrial/Warehouse use 0.38%

**Ms. Walker** explained how the percentages were used to calculate the rates of each category. The Nursing Home component was high as opposed to the Commercial component because there is only one Nursing Home in the city as opposed to more commercial properties demanding the same percentage of services.

The Council made the policy decision to exempt governmental (schools, city, and county properties) and institutional tax-exempt properties (primarily churches). There is a \$40,350 buy down.

#### **PUBLIC COMMENT**

**Michael Farona**, 206 Sunny Point Lane, President of the Lakeview Terrace Resident Association, said the 385 Umatilla residents of Lakeview Terrace are opposed to Ordinance 2018-C for the following reasons:

- Lakeview Terrace is a non-profit senior housing community with only one source of revenue and that is a monthly rent. An additional fire tax would require LVT to make additional rent increases to offset this fire tax. That burden affects all of our residents all of whom live on a fixed income. LVT has already paid \$250,000 for waterline upgrades to meet Umatilla Fire Code requirements. It is spending another \$250,000 for a state-mandated generator for our skilled nursing facility. We are in no position to incur additional expenses annually.

Churches are not for profit and they are exempt from this tax. LVT is not for profit and we are not exempt. We would like to hear the reasoning behind this unfair taxation; why some not for profits are exempt and others are not.

If this tax is intended to position the Fire Department for future expected growth than the tax should not be implemented until growth occurs. Normally this is done through impact fees which are assessed to all new developments to take care of new growth.

Our community provides a public service to North Lake residents needing skilled nursing care by admitting Medicaid patients and the government reimbursement is less than the daily posted rate for the cost of the skilled care. We would have to reduce the Medicaid admissions because we would not be able to afford the lower rate.

Any additional taxes affect our great employee staff as we would not be able to provide reasonable annual pay raises due to the cost incurred by this proposed tax.

I do not mean to sound disrespectful, but we wonder if you have considered applying for any kind of grants or assistance. The Department of Agriculture has a grant program for rural fire departments. Paperwork on grants was given to **President Wright**.

**Mr. Farona** said with this fire tax LVT would receive no additional services – nothing! Therefore, we the residents of Lakeview Terrace are opposed to this unreasonable additional fire tax.

**Barbara Mandigo**, resident of Lakeview Terrace, said she has paid taxes here for 32 years. We have helped to build your churches and your schools and your Museum and your Library. I think it is time we all started working together and we have representation on your Council that understands our problems. We at Lakeview Terrace are opposed to this unreasonable additional tax ordinance.

**Cheryl Leesch**, resident of Lakeview Terrace, said the discussion was because of the burden of usage and the First Responders were not a part of it. We do not have that many fires. The reason that they come to LVT is because the state has a law that if a First Responder is called the fire truck has to come. Did you look at the actual fire response or did you look at the response of the trucks?

**Sandi Walker** of GSG responded that the response of the trucks was looked at because in the court's eyes since Umatilla is a First Responder all of the calls go into the fire bucket.

**Cheryl Leesch** asked the Council to look at where the actual fires are.

**Tim Crow**, 179 E Lakeview Street, in 40 years I grew into a career firefighter and fire investigation. I have learned along the way the importance of the streets, drainage, infrastructure, law enforcement, and firefighters should be considered as infrastructure. I am for the fire assessment fee. I think it is fair. A fixed income is a concern. We are growing and with public safety and you cannot wait until it is needed. You need to plan ahead.

Overall Umatilla has been smart about growth. No matter where you live there will be tax increases and expected increases in service.

Volunteers are not heard of in the southern United States anymore. It will take money. I think the department is a good thing. I have many different perspectives from working in fire services.

**President Wright** said we have to make decision on September 11<sup>th</sup>. Thank all for coming and invited everyone to come to any council meeting.

**Meeting adjourned 7:35 p.m.**

  
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Laura Wright  
Council President

**ATTEST:**

  
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Karen H. Howard, CMC  
City Clerk