

Highlands County Fire Assessment Study

February 2018



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What is a Fire Assessment?

- Charge imposed against real property to pay for fire services
 - Fire services includes things such as:
 - Fire suppression
 - Hazmat
 - Fire prevention
 - Emergency response and disaster preparedness
 - Fire safety education
 - Does NOT include EMS-type services above the level of first responder



Case Law Requirements

- Special Benefit to property
 - Fire services (up to first responder) do provide benefitand
- Fair and reasonable apportionment
 - Logically and factually driven method must be developed to spread the costs among the benefited properties.
 - Does method of apportionment make sense in terms of what is being provided?
 - Legislative determination receives judicial deference.



Historical Demand Methodology*

- Court tested and approved
- Most widely adopted
- Historical demand is the driving factor
- Based on initial response; therefore, treats all calls equally
- One rate for single family residential structures regardless of size

*Methodology was upheld by the Fourth District Court of Appeals in Desiderio Corporation, et al. vs. The City of Boynton Beach, Florida, et al., 39 So.3d 487 (Fla. 4th DCA 2010).

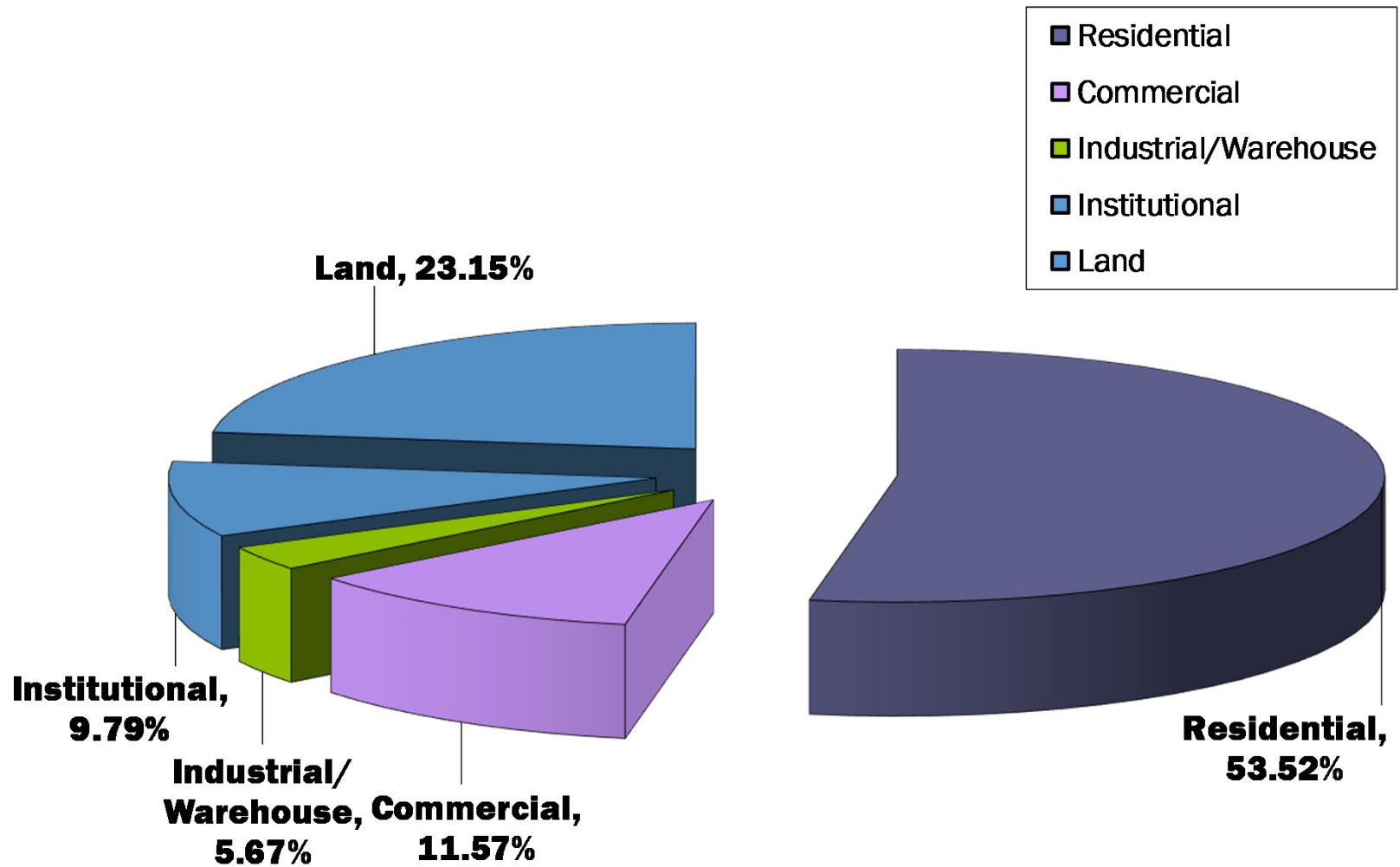
Data Components

- Service Delivery
 - Fire/First Responder – With Service Enhancements to add Engines
 - Service Area
 - Unincorporated County and City of Lake Placid
- Fire Department Budget
 - Fiscal Year 2017-18 Projected with Service Enhancements
 - 36 Additional Personnel (Including Training and Gear)
 - \$440,000 for Stations and Apparatus
- Develop Cost Apportionment
 - Call/Incident Data (Calendar Year 2016)
- Develop Parcel Apportionment/Preliminary Assessment Roll
 - Ad Valorem Tax Roll Data
 - Building/Property Use
 - Dwelling Units
 - Square Footage

Fiscal Year 2017-18 Proforma Assessable Budget

	FY 17/18 Projected Budget	FY 17/18 Assessable Budget
Expenditures		
Personnel	\$894,405	\$894,405
Operating	\$1,596,237	\$1,596,237
Capital	\$821,799	\$821,799
Service Enhancements	\$2,545,000	\$2,545,000
Total Expenditures	\$5,857,441	\$5,857,441
Total Revenues	\$15,000	\$15,000
Total Net Expenditures	\$5,842,441	\$5,842,441
Additional Assessment Expenditures		
Collection Costs @ 2% (Tax Collector)		\$129,579
Statutory Discount @ 5% (4% Early Payment / 1% Non-Collection)		\$323,948
Estimated Notice Costs		\$128,250
Study Costs		\$54,725
Total Additional Assessment Expenditures		\$636,502
Total Assessable Expenditures		\$6,478,943

Cost Apportionment: Based on Calendar Year 2016 Fire Call Data



Cost Apportionment

(Fiscal Year 2017-18 Proforma Assessable Budget – 100% Funding)
 (Calendar Year 2016 Call Data)

Category	Number of Calls	Percentage of Calls	Fiscal Year 2017-18 Assessable Cost Allocation
Residential	529	52.32%	\$3,390,070
Commercial	117	11.57%	\$749,789
Industrial/Warehouse	32	3.17%	\$205,070
Institutional	99	9.79%	\$634,437
Land	234	23.15%	\$1,499,577
Total	1,011	100.00%	\$6,478,943

Parcel Apportionment

Category	Parcel Apportionment
Residential Category	Dwelling Unit
Non-Residential Categories Commercial Industrial/Warehouse Institutional	Square Footage
Land Category	Per Parcel

Preliminary Assessment Rates & Revenue

(Fiscal Year 2017-18 Assessable Budget – 100% Funding)

Category	Fiscal Year 2017-18 Assessable Cost Allocation	Billing Units	Per Unit Rate
Residential	\$3,390,070	37,380	\$91.00
Commercial	\$749,789	5,121,349	\$0.15
Industrial/Warehouse	\$205,070	4,259,815	\$0.05
Institutional	\$634,437	3,623,112	\$0.18
Land	\$1,499,577	64,967	\$24.00
Gross Revenue	\$6,478,943		

Preliminary Assessment Rates & Revenue

Category	FY 18-19 Per Unit Rate	FY 19-20 Per Unit Rate	FY 20-21 Per Unit Rate	FY 21-22 Per Unit Rate	5 Yr Avg Per Unit Rate
Residential	\$98.00	\$112.00	\$113.00	\$115.00	\$106.00
Commercial	\$0.16	\$0.19	\$0.19	\$0.19	\$0.18
Industrial/Warehouse	\$0.06	\$0.06	\$0.06	\$0.07	\$0.06
Institutional	\$0.19	\$0.22	\$0.22	\$0.23	\$0.21
Land	\$25.00	\$29.00	\$29.00	\$30.00	\$27.00
Gross Revenue	\$6,972,759	\$7,981,339	\$8,029,446	\$8,177,225	\$7,527,943

Exemptions

(Fiscal Year 2017-18 Assessable Budget– 100%)

Financial Classification	100% Funding
Estimated Assessable Costs	\$6,478,943
Estimated Buy-Down for Institutional Tax-Exempt	\$238,564
Estimated Buy-Down for Government Tax-Exempt	\$453,411
Estimated Buy-Down for Agricultural	\$79,584
Estimated Net Revenue	\$5,707,384
Estimated Net Revenue at 95%	\$5,422,015

Draft Implementation Schedule

Task	Date
County adopts Initial Assessment Resolution	April 17, 2018
County advertises Public Hearing to adopt Final Assessment Resolution	By May 29, 2018
Notices mailed to Affected Property Owners	By May 29, 2018
Public Hearing to adopt Final Assessment Resolution	June 19, 2018
Certify Fire Assessment Roll to Tax Collector	By September 15, 2018
Tax Bills Mailed by County Tax Collector	By November 1, 2018

Policy Direction

- Notice to Proceed with Implementation
 - Rates/Funding Level
- Exemption Policy
 - Government Parcels
 - Institutional Tax Exempt Parcels
- Other Issues
 - Notices/TRIM
 - Future Updates
 - Multiple Lots on a Parcel
 - Other County Rates