

Iona McGregor Fire District Board of Fire Commissioners Minutes

February 16, 2010

1PM

Meeting called to order 1:01p.m.

Pledge of Allegiance and Opening Prayer were observed

Roll Call: Chairman Lees dispensed with roll call stating all Commissioners present and quorum is established.

Agenda Items Requiring Action

- 1) Fire Fee Presentations

Adoption of Agenda

Motion (4573) to adopt agenda made by Commissioner Brown, seconded by Commissioner Dorsett... passed.

Public Comment on Agenda Items – none

Attorney Report –

Attorney Pringle informed Board that he had contacted both presenters and told both to come prepared to give presentation and be ready to answer questions.

Unfinished Business

- 1)

New Business

- 1) Fire Fee Presentations

Mark Lawson with the firm of Bryant Miller Olive gave presentation on the firm's fire assessment fee program beginning with a history of the organization as well as a brief personal history. He explained that a fire assessment is a demand based form of financing. Benefit property and fairly and reasonably apportioned to meet legal criteria for fire assessment. Fire related and certain first responder services are allowed. Think about how you would explain the process to constituents. There is an alternative approach which views the readiness to serve. Fixed costs are derived and then distributed throughout the area equally by parcels, not size of parcel. This covers fixed costs only and is not intended to fully fund our operations. Primary source of income in District is ad valorem. Legally defensible and politically palatable approach is best. This would put Kmart on par with Ma and Pa regarding the assessment (fixed cost distribution). This plan is easy for administration to carry out without need for an outside service company. Either simplified or complex approach to fire fees will be politically difficult.

Maintaining down the road, does this require referendum, questioned chairman Lees. No, there are ways to get advanced judicial approval. Write apportionment procedure into the referendum. Are any other Special Districts currently doing this? From a legal standpoint, you can do them. There have been attempts in Broward County that underwent legal challenge, per Mr. Lawson.

DC Jorgensen asked if Tallahassee could/would limit our ability do this. Mr. Lawson replied that special assessments are well imbedded in local government and he does not believe State will disallow.

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Discussion regarding the process, needed information, and preparation/implementation time transpired. Chief Elliott inquired as to the initial cost. Between \$10-\$20,000 of work would be done and cost should come in around \$60-\$80,000 which could be recovered with the assessment and doesn't need to be redone each year. The total fee includes the development of documentation in the event of litigation, hourly rated work, building of evidence for the program. If evidence and finding apparent, judge cannot put his will over the District's. Itemized billing will be supplied denoting every expense

Commissioner Barbosa questioned the cost for mailing of information to residents. Companies are around that will do for us and submit affidavit of mailing. Mailing needs to be sent only once. Chief questioned the taxability of churches. Can charge churches, per Mark; however, they can be exempted if you prefer. Fire prevention activities – would have to look at before answering if these costs can be included. The \$100 number was derived as a palatable number and a number that worked with Lehigh, per Attorney Pringle. Referendum would be again required if the “up to” amount was to be raised. Fire Corp and/or Fire Union could communicate to constituents the information pertaining to fire assessment.

August primary – need to do referendum around same time as another election in order to save cost.

How successful has this program been, asked DC Jorgensen. This is very new program, per Mark. Others have been looking at the program but have been peeled back. Bonita, City of Fort Myers both attempted and peeled back.

End of presentation 1:56

Comfort break at 1:56

Meeting resumed at 2:05p.m.

Camille Tharp with Government Services Group, Inc. was the second presenter.

Camille began by stating that they are not a law firm or consulting firm, but more technical arm of special assessment. Provide data and budget analysis as well as methodology. Midway Fire District attempted but was not successful. Destin has report but not gone to referendum yet. She has worked with many city and county governments. They are not attorneys but well aware of the legal requirements. Good at isolating the fire costs from budget. Three to five year projection is given to allow for referendum to move forward. Facts and data are gathered for defensibility. Methodology options were discussed. Value base has not been before the Supreme Court; however, she thinks that would be viewed as tax and therefore ineligible for special assessment. Traditional and Demand Capacity options are being recommended. Historical is most widely used option currently in use. Single structure rates are the same regardless of size. Demand Capacity uses what you would need for fully involved fire and utilizes risks and mitigation. Data components – use budget, incident data, tax roll data.

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1PM

Under Historical, proportioned by use as in example that 78.5% calls were residential meaning 78.5% of cost would be borne by residential. Could balloon based upon the call occupancy type on year by year basis. Multifamily charged by unit.

Demand Capacity program is new – look at capacity units NFPA 1142 standards to determine minimum flow required. Use square footage, NFPA standards, and Districts response to determine Hazard Class. Detail of classes and respective capacity units were explained as shown in example slide 21 and 22.

Capacity units based upon probability of needed service – Factored Capacity Units. Credits are given in this scenario. Credit must be applied for each year by property owner by bringing in functioning alarm certificate or other document. This system does penalize the single family residence as they will not be eligible to receive credits.

There are pros and cons for both recommended methods. Brief explanation of the pros and cons were given.

Collection methods and strategies were discussed. Most organizations do not assess for the full amount. Once rates are set, decrease is allowable. Initial year is difficult and there is a burden of maintaining program.

What would cost be, per Commissioner Brown. To get to the rates it would be just study, no legal part, approximately \$40,000 was charged to Destin. Could be ala carte or through to implementation. Once you have data, massaging is necessary to come up with various scenarios and methods.

The enhanced program has not been court tested yet. Nothing, other than historical method, had been challenged through courts as well. GSG would need tax roll data, line item budget, staffing information, NFIRS data to complete the study. If enhanced methodology, would initially set hazard categories with District review. Process requires at least three months.

Vacant to Commercial – set up with county, county would collect the fee until show up on roll as commercial property. Set up with County for collection and disbursement. Funding fire preventions be funded, yes all of it. Would net out any fees collected for inspection fees, Impact fees would also be reduced from the budget. Sprinkler credit of 10% was just number that was thrown out.

Successful Districts have inched up with the percentage received.

Three to five year update/review is prudent to maintaining the system. Tax roll data will need to be reviewed to make sure proper category is assigned. Maintenance programs approximately \$10,000 and is recoverable in the fee. How many times have gone back to referendum from others set up, one has because they picked number out of sky. Should not have to if developed properly. Money carried over would have to be spent on the fire side of services. Special revenue fund for assessment would need to be set up.

Iona McGregor Fire District Board of Fire Commissioners Minutes

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1PM

Why EMS excluded, questioned Jorgensen. Originally was okay, North Lauderdale decided that split needed to be done because EMS gives benefit to people not property. Assessment is to be benefit to property.

Sprinkled properties could receive credit.

Presentation ended 3:00p.m.

Public Comment – non agenda items – none

Commissioner Comments –

Commissioner Barbosa stated that a mobile home is taxed as a single family – what about motor home? Commissioner Lees stated that property where sitting taxed.

Adjournment –

Motion to adjourn meeting made by Commissioner Brown and seconded by Commissioner Barbosa... passed.

Meeting adjourned at 3:16p.m.