



400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	April 18, 2018		Item Type: <small>(Enter X in box)</small>	Resolution <div style="text-align: center;">X</div>	Ordinance	Other		
Fiscal Impact: <small>(Enter X in box)</small>	Yes	No	Ordinance Reading: <small>(Enter X in box)</small>	1 st Reading		2 nd Reading		
	X			Yes	No	Yes	No	
Funding Source:	Fire Assessment 2210-325220		Advertising Requirement: <small>(Enter X in box)</small>	Yes		No		
				X		X		
Account Balance:	FY17/18 Revenue Budget: \$7,091,352		Quasi-Judicial: <small>(Enter X in box)</small>	Yes		No		
				X		X		
Project Number :	N/A		RFP/RFQ/Bid Number:	N/A				
Contract/P.O. Required: <small>(Enter X in box)</small>	Yes	No	Strategic Plan Priority Area: <small>(Enter X in box)</small> <div style="display: flex; justify-content: space-between;"> <div>Safety</div> <div style="text-align: center;"><input checked="" type="checkbox"/></div> </div> <div style="display: flex; justify-content: space-between;"> <div>Quality</div> <div style="text-align: center;"><input checked="" type="checkbox"/></div> </div> <div style="display: flex; justify-content: space-between;"> <div>Vibrant Appeal</div> <div style="text-align: center;"><input type="checkbox"/></div> </div>					
Sponsor Name:	Roger M. Carlton, City Manager		Department: Fire Rescue		Mark Ellis, Fire Chief			

Short Title:

DISCUSSION OF FIRE ASSESSMENT FEE REPORT FOR FY 18/19.

Staff Summary:

The City Commission adopted Ordinance No. 2000-16 (Attachment 1), authorizing the imposition and collection of a fire protection services special assessment against property throughout the City. Pursuant to Section 8 of Ordinance No. 2000-16, the City utilizes the uniform method for levy, collection and enforcement of the assessment, as authorized by Chapter 197, Florida Statutes (Attachment 2). In accordance with statutory requirements, staff has annually evaluated the projected cost for providing fire protection services to properties within the City that derive a special benefit from the availability of fire protection services and presented findings to the Commission via agenda resolution each budget year. The proportion of revenue coming from

each property type is calculated every three years and based on a five year history of actual demand for service data. This was last completed for FY15/16 by the consulting firm Government Services Group (GSG) at a cost of \$19,500.

For FY18/19, Fire Rescue had internal staff capable of performing a study on the methodology for apportionment, rate and proportion of funding for the fire assessment (Attachment 4).

Why Action is Necessary:

Pursuant to Section 8 of Ordinance No. 2000-16 (Attachment 1), the City utilizes the uniform method for levy, collection and enforcement of the assessment, as authorized by Chapter 197, Florida Statutes. Section 15 of Ordinance No. 2000-16 authorizes the annual modification of the total amount of the fire protection services special assessment and the amount assessed against each parcel of property. This methodology and the outcome of the analysis must be approved by the City Commission. The findings are presented below.

Analysis:

The fire assessment can only cover fire-related services provided by the Fire Rescue Department, as an assessment must provide special benefit to a property, not people, as is the case with EMS. Since fire protection services decrease insurance rates and reduce property loss, the services are considered assessable costs. This excludes Emergency Medical Services (EMS) and Ocean Rescue from being assessable costs and these services are funded through the General Fund. The total revenue from the fire assessment for fire protection services in the City for FY16/17 was \$ 6,923,116. Under the current methodology, this represents 85% percent of the total cost of providing fire protection services (excluding EMS and Ocean Rescue) for the FY 17/18 (current fiscal year) the 85% amount is \$6,949,124. The remaining 15% (\$1,185,227) to conduct these services is provided through the General Fund.

Several cost recovery scenarios are presented in the study attached (Attachment 4). Staff recommends maintaining an 85% revenue recovery rate for fire protection services in the upcoming FY 18/19 budget. The FY18/19 fire assessment revenues will be \$8,230,580 assuming the adoption of the Fire/Rescue Department budget currently under review. The increased revenue is due to more detailed analysis of the distribution of costs for the entire Fire Rescue Department, adjustment of the percentage allocated amongst the various property classes, and the increased cost to operate the Fire Rescue Department anticipated for the next five fiscal years.

By holding the recovery rate steady, revenues will increase in line with the cost of the fire protection demands of the community and the distribution adjustments among the categories of property that are assessable. By increasing the revenue in accordance with the in-depth justification provided in the study, dependence on General Fund revenues to fund activities that do not have an alternate revenue source will not be increased. If increasing costs continue to be covered with a stagnant dollar amount, the proportion of the City's fire protection services that need to be covered by the General Fund will continue to increase or service reductions will be necessary.

Proposed Action:

Staff recommends the City Commission adopt the changes outlined in the study in order to allow the budget development process to continue for the Fire Rescue Department and the entire city.

Attachment(s):

Exhibit 1 – Ordinance 2000-16

Exhibit 2 – Florida Statutes Chapter 197

Exhibit 3 – Presentation

Exhibit 4 - 2018 Fire Assessment Study

Prepared by:



Stephanie S. Delgado



Mark Ellis



Marie M. Gouin