



**Hallandale Beach**  
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400 South Federal Hwy  
Hallandale Beach, FL 33009

## City of Hallandale Beach City Commission Agenda Cover Memo

<b>Meeting Date:</b>	September 12, 2018		<b>Item Type:</b> <i>(Enter X in box)</i>	<b>Resolution</b> <div>X</div>	<b>Ordinance</b>	<b>Other</b>	
<b>Fiscal Impact:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Ordinance Reading:</b> <i>(Enter X in box)</i>	<b>1st Reading</b>		<b>2nd Reading</b>	
	<div>X</div>		<b>Public Hearing:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
				<div>X</div>			
<b>Funding Source:</b>	2210-325550		<b>Advertising Requirement:</b> <i>(Enter X in box)</i>	<b>Yes</b> <div>X</div>		<b>No</b>	
<b>Account Balance:</b>	FY18/19 Revenue Budget: \$8,714,732		<b>Quasi Judicial:</b> <i>(Enter X in box)</i>	<b>Yes</b>		<b>No</b> <div>X</div>	
<b>Project Number :</b>	N/A		<b>RFP/RFQ/Bid Number:</b>	N/A			
<b>Contract/P.O. Required:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Strategic Plan Priority Area:</b> <i>(Enter X in box)</i>  <b>Safety</b> <input checked="" type="checkbox"/> <b>Quality</b> <input checked="" type="checkbox"/> <b>Vibrant Appeal</b> <input type="checkbox"/>				
		<div>X</div>					
<b>Sponsor Name:</b>	Nydia M. Rafols Sallaberry, Interim City Manager		<b>Department:</b> <b>Fire Rescue</b>	Mark Ellis, Fire Chief			

### Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, ESTABLISHING THE TOTAL SUM OF THE ANNUAL FIRE PROTECTION SERVICES SPECIAL ASSESSMENT; SETTING THE AMOUNT ASSESSED AGAINST EACH PARCEL OF PROPERTY FOR THE 2018-2019 FISCAL YEAR; PROVIDING FOR THE CONTINUED USE OF THE UNIFORM METHOD OF COLLECTION; PROVIDING AN EFFECTIVE DATE.

## **Staff Summary:**

### **Background:**

The Fire Assessment Fee is a special collection to help fund fire services within the City of Hallandale Beach. The collected monies are specifically used for fire services only and exclude emergency medical services. The mentioned fire services are broken down into many categories including stations, fire equipment, personal protective equipment, and special firefighting supplies.

The City adopted Ordinance No. 2000-16, (Exhibit 2) 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. 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 history of actual demand for service data. This was last completed for FY 15/16.

### **Current Situation:**

The City currently recovers \$7,091,352 of the allowable costs of fire protection through the fire assessment annually. This represents 85% of allowable costs based on the cost apportionment study done in 2015, and is recovered through a residential rate of \$198.00. The remaining 15% operation costs are supplemented by the General Fund. The re-apportionment and cost allocation study completed by staff for the FY 18/19 budget (Exhibit 3) has identified a total potential cost recovery of \$8,714,732.10 after write-down for tax-exempt properties.

For fiscal year 2018-2019, staff reviewed the methodology for the rate and proportion of funding for the fire assessment (Exhibit 3). As a result, staff is proposing modification of the total amount of the fire protection services special assessment or the amount assessed against each parcel of property. There were also additional costs captured that are allowable costs from this fund.

Data from the past three years shows an increase in the response to residential and commercial properties, and a decrease in the response to pari-mutuel, institutional, and warehouse categories. Because the assessment revenues must be recovered proportionally per property category, an increase in the apportionment to one category will result in an increase in the overall rate in that category. The results were presented to the Commission on the April 18, 2018 commission meeting and the results are captured below:

Hallandale Beach Fire Rescue							
FY18/19 - Re-apportioned 90% Cost Recovery							
	% of Fire Incidents	% Fire Incidents (New)	Billable Units 2018	Rate 2017	Rate 2018	Revenue 2017	Revenue 2018
<b>Property Type:</b>							
Residential (a)	72.89%	75.96%	27,177.00	\$ 198.00	\$ 251.11	\$ 5,381,046.00	\$ 6,824,443.82
Commercial (b)*	15.59%	18.04%	46,022.77	\$ 28.91	\$ 35.22	\$ 1,330,518.28	\$ 1,620,760.49
Race Track	3.53%	2.62%	8,667.42	\$ 22.61	\$ 27.16	\$ 195,970.37	\$ 235,387.61
Institutional	5.88%	3.06%	10,150.00	\$ 34.30	\$ 27.09	\$ 348,145.00	\$ 274,918.35
Warehouse (b)	2.11%	0.32%	12,437.15	\$ 12.22	\$ 2.31	\$ 151,981.97	\$ 28,749.63
Write-down							
		100.00%					
					Sum (Gross)	\$7,407,661.62	\$ 8,984,259.90
					Net**	\$7,185,431.77	\$ 8,714,732.10
(a) Unit = Individual residential dwelling							
(b) Unit = 100 square foot							
<b>Projected Budgeted Change</b>							
	<u>Gross</u>	<u>Net</u>					
FY 2016-2017	\$ 7,407,662	\$ 7,185,432					
FY 2017-2018	\$ 8,984,260	\$ 8,714,732					
Change	\$ 1,576,598	\$ 1,529,300					
% Change in revenue	21%	21%					
*Office and Amusement included within Commercial							
** 97% Net based on historic collection rate							

During the April 18, 2018 commission meeting, the City Commission approved the 90% cost recovery scenario. This has an estimated recovered cost of \$8,714,732, a net increase of \$1,623,380. Under this cost recovery scenario, the residential rate will be \$251.11.

### **Why Action is Necessary:**

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. Furthermore, 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. In order to comply with state statute, the collection of non-ad valorem assessments must be approved by local government, in this case the City Commission. Local government must also hear input from citizens which this meeting will allow.

### **Fiscal Impact:**

Based on the 90% Cost Recovery scenario approved by the City Commission on April 18, 2018, the estimated revenue will be \$8,714,732.10.

**Proposed Action:**

Staff recommends approval of the attached Resolution of the Mayor and City Commission of the City of Hallandale Beach, Florida, establishing the total sum of the annual fire protection services special assessment; setting the amount assessed against each parcel of property for the 2018-2019 fiscal year; and providing for the continued use of the uniform method of collection.

**Attachment(s):**

Exhibit 1 – Resolution  
Exhibit 2 – Ordinance 2000-16  
Exhibit 3 – 2018 Fire Assessment Study  
Exhibit 4 – Draft April 18, 2018 City Commission Meeting Minutes  
Exhibit 5 – Fire Assessment Presentation  
Exhibit 6 – Florida Statutes Chapter 197

Prepared by:



Georgiana Gonzalez

Reviewed by:



Marie M. Gouin, Budget Director