



Agenda Item Summary

File ID: 18-0706

Meeting Date: 9/11/2018

PLACEMENT: Public Hearings

TITLE:

PUBLIC HEARING TO CONSIDER A FINAL ASSESSMENT RESOLUTION RELATING TO THE IMPOSITION OF FIRE PROTECTION ASSESSMENTS TO FUND THE PROVISION OF FIRE PROTECTION SERVICES

EXECUTIVE SUMMARY:

The Board of County Commissioners will conduct a public hearing to consider adoption of the Final Assessment Resolution for the imposition of fire protection assessments within the boundaries of the Martin County Municipal Service Benefit Unit for Fire Protection Services (MSBU). The Final Assessment Resolution confirms the legislative findings and apportionment methodology adopted in the Initial Assessment Resolution, which was approved on July 24, 2018, establishes the rates and other terms and conditions for the fire protection assessments, and approves the final assessment roll for the Fiscal Year beginning October 1, 2018.

DEPARTMENT: Fire Rescue

PREPARED BY: **Name:** Matt Resch
Title: Fire Rescue Administrator

REQUESTED BY: Board of County Commissioners

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

On July 24, 2018 the Board held the first public hearing to consider a fire protection assessment Ordinance and an Initial Assessment Resolution to fund the fire related costs of the operating and capital improvement budgets for the Fire Rescue Department. The Board adopted the Ordinance which establishes the procedures for the imposition and collection of annual fire protection special assessments for the provision of fire protection services. In addition, the Board approved the Initial Assessment Resolution that set the tentative rates at 50% of the full cost budget. The Ordinance and Initial Assessment Resolution also include a provision for a hardship program and a buy down policy that will exempt government, institutional tax exempt, and agricultural parcels.

Thereafter, on or before August 21, 2018, and in satisfaction of the statutory notice requirements, the County provided the required mailed and published notices of this public hearing to all affected property owners within the MSBU. The MSBU includes the entire unincorporated area of the County

and the municipalities of Ocean Breeze and Indiantown, both of whom have joined the MSBU through the adoption of city ordinances. The Board of County Commissioners will now conduct a final public hearing to consider the adoption of the Final Assessment Resolution. The Final Assessment Resolution is the last step for imposition of fire protection assessments for the fiscal year beginning October 1, 2018. The Final Assessment Resolution establishes the final rates and other terms and conditions for the proposed fire protection assessments, including the apportionment methodology that was preliminarily adopted by the Board on July 24, 2018, and approves the final assessment roll, which must be certified to the Martin County Tax Collector no later than September 15, 2018. As directed by the Board, the proposed Final Assessment Resolution contains a hardship assistance program and a buy-down policy that will exempt government, institutional tax exempt, and certain agricultural properties from the assessment. The Final Assessment Resolution contains the following proposed rates, which were included in the statutorily required mailed and published notices:

Residential Property Use Categories	Full Costs Rate Per Dwelling Unit
Residential	\$151
Non-Residential Property Use Categories	Full Costs Rate Per Square Foot
Commercial	\$0.32
Industrial/Warehouse	\$0.05
Institutional	\$0.24

These rates are the maximum rates that can be imposed in the Fiscal Year beginning October 1, 2018 and future fiscal years without an additional notice. As set forth in the Final Assessment Resolution, the non-ad valorem special assessment would help to fund the cost of providing: fire protection services, capital improvements and the fixed asset replacement/refurbishment budget (FARB).

ISSUES:

The County has an abundant list of deferred maintenance challenges countywide and the proposed non-ad valorem assessment will serve as an alternative revenue source to benefit those needs specific to Fire Rescue and continue to provide a dedicated funding mechanism for fire protection. The Fire Rescue Department is primarily funded by ad valorem revenue for services provided countywide through the General Fund, and Fire/EMS operations through the Fire Rescue MSTU. Secondary funding sources include revenue generated by transport fees, and Federal and State grant awards.

There are challenges associated with using ad valorem revenue as a primary source for funding Fire Rescue services. First, funding is less predictable and less stable since it is dependent on assessed property values, which may vary over time. Second, if the Florida Amendment 1 Homestead Exemption Increase passes in November, staff anticipates a decrease of \$2,000,000 in ad valorem funding from the Fire Rescue MSTU. This loss in revenue would have a substantial negative impact on the Fire Rescue MSTU operating budget that totals \$2,450,000. The addition of the MSBU for Fire Protection Services will help further diversify the funding sources for Fire Rescue operations and provide stability to the budget.

LEGAL SUFFICIENCY REVIEW:

Nabors, Giblin & Nickerson, P.A., the County's Special Assessment Counsel, has reviewed the Agenda Item Summary, and the final assessment resolution, and confirmed that the form of each is

proper.

RECOMMENDED ACTION:

RECOMMENDATION

Move that the Board hold the public hearing and approve the Final Assessment Resolution to impose fire protection assessments for the Fiscal Year beginning October 1, 2018.

ALTERNATIVE RECOMMENDATIONS

Provide staff direction.

FISCAL IMPACT:

RECOMMENDATION

The revenue generated by the estimated Fire Protection Services MSBU rate schedule at 50% of the total assessable portion of the Fire Rescue budget is anticipated to be \$12,660,727. The MSBU revenue could be used to reduce the Fire Rescue MSTU (Fund 1120) with Board approval. The Fire Rescue MSTU revenue has been tentatively approved for FY19 at \$36,679,376. Upon adoption of the Initial Assessment Resolution and the Ordinance, the Fire Rescue MSTU changed in title to the Emergency Medical Services (EMS) MSTU and retained the fund number 1120.

Funding Source	County Funds	Non-County Funds
EMS MSTU	\$24,018,649	
Fire Protection Services MSBU	\$12,660,727	
Subtotal	\$36,679,376	
Project Total	\$36,679,376	

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

- ☐ Budget Transfer / Amendment ☐ Chair Letter ☐ Contract / Agreement
☐ Grant / Application ☐ Notice ☐ Ordinance ☒ Resolution
☐ Other: