

3/19/12

**CITY OF BROOKSVILLE
WORKSHOP
COUNCIL CHAMBERS
201 HOWELL AVENUE
MINUTES**

March 29, 2011

6:00 P.M.

Brooksville City Council met in workshop session with Mayor Frankie Burnett, Vice Mayor Joseph E. Johnston, III, Council Members, Joe Bernardini, Lara Bradburn and Emory Pierce present. Also present were Thomas S. Hogan, Jr., City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Steve Baumgartner, Finance Director; Mike Walker, Parks and Recreation Director; Bill Geiger, Community Development Director; Richard Radacky, Interim Director of Public Works; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of the Hernando Today and Hernando Times were also present.

The meeting was called to order by Mayor Burnett.

FIRE ASSESSMENT

Review and discussion of the proposed Fire Assessment

Fire Chief Tim Mossgrove stated the creation of the Fire District was in 2004 and adopted by Ordinance Number 682. There have been recent discussions, starting in March 2010, when staff presented Council with viability of rates based on a demand-for-service type model for the methodology that could be utilized. Council decision at that time was to not adopt the model.

In February 2011 staff presented compression and expansion of some categories as requested by Council and also included an alternative method by Mark Lawson of Bryant, Miller and Olive. He described this method as a fixed and variable, readiness to serve and simplified approach to Fire Service. There was further discussion on March 7th wherein Council requested additional information after that meeting; i.e., type of equipment, how the Fire Department responds, protocol, etc. and stated the packet includes responses to Council Member Pierce's questions. He briefly reviewed the staff report and asked for direction from City Council.

Council Member Bernardini voiced his opinion about the assessment but was uncertain of which way to go. He does not want to waiver from the ad valorem process currently in place but felt churches and schools should pay. He liked the recent presentation from Mark Lawson but still views it as a tax, even though it is being presented as an assessment fee.

Council Member Pierce stated fire engines respond to nursing home patients needing transport for medical purposes along with other types of units. Fire Chief Mossgrove explained that Squad 61 is staffed to assist on a first response medical call or similar. He further elaborated that a fire engine is also warranted depending on the call type that is received for that facility. Council Member Pierce stated internal efficiencies could be improved. He requested the Fire Department give a directive or Memorandum of Understanding for Council approval that limits the number of times a fire engine is sent to a nursing home with sprinklers when there is no indication of a fire to transport for basic life support.

APPROVED BY BROOKSVILLE

CITY COUNCIL

FIRE ASSESSMENT WORKSHOP MINUTES

MARCH 29, 2011

Chief Mossgrove indicated that since 2008, when the Fire Department entered into an automatic aid agreement with the county, it does not matter what type of call it is. The closest unit responds, working with centralized dispatch through the Sheriff's Office. All parties of the agreement meet at least twice a year to discuss protocol, response types and efficiency. He indicated that prior to 2008 the Fire Department would send three (3) engines with lights and sirens but that has been streamlined. Council Member Pierce advised he would like to see the most efficient vehicle to transport medical personnel.

Council Member Pierce also indicated he does not want to waste any more staff time trying to come up with other ways to charge people who are tax exempt. He asked about the minimum amount and asked for a list of the parcels that pay no ad valorem.

City Attorney Rey indicated that under the standard professional assessments it has to benefit property, it has to be proportionate and not arbitrary and it is unconstitutional to pick or choose whom the special assessment applies. The methodology used in the demand based system that was the foundation for the last proposed amounts has been to the Supreme Court and been adopted as meeting constitutional and statutory muster for special assessments. The statute does allow for an alternative methodology, but has to meet standard criteria.

Council Member Pierce indicated he supports an independent fire department as it serves the citizens of the City of Brooksville well.

Council Member Bradburn strongly believes all should pay something and that those who do should not bear the burden of those who do not pay taxes. She agreed that efficiencies need improvement. She pointed out the Brooksville Fire Department has the best response times in the county and best ISO ratings with lower rates than the county.

Council Member Johnston indicated, despite the memorandum from legal that says the City is not obligated to provide fire services, it is not Council's desire to eliminate the Fire Department as it is a governmental function for its citizens. The question is how to fund the fire budget. He agreed with Council Member Bradburn that everyone should be paying something. The Bryant, Miller and Olive scheme would be a better manner of funding, even with the \$30,000 up front; he felt it has the potential to be a much better model than what is currently being used. However, it should be left for a larger city to initiate the process. His opinion is to keep the ad valorem tax for now. He clarified this is another method of funding the budget and making everyone pay their fair share instead of basing it on the valuation of property.

Mayor Burnett felt the city should take leadership on this subject and he will always support keeping the Fire Department. He felt as well that all should pay something and the process needs to start somewhere. He asked that Council make a decision to give staff direction during the budget cycle.

Council Member Bradburn stated she agreed with Vice Mayor Johnston in that \$30,000 for a study of this magnitude is not unheard of. She feels it is a risk if the finished product will not be usable but it seems to be right in line with her intention of everyone pays a base fee and then the differentials in property are implemented. She did not like last year's approach

FIRE ASSESSMENT WORKSHOP MINUTES

MARCH 29, 2011

because it charges the same rate to homes that would require a fraction of the response units and personnel than a larger home. She suggests we look at what other states are doing. She feels this could be a missed opportunity to pave a new and innovative way of implementing the fire assessment.

Council Member Bernardini cautioned there are unknown costs associated with the study and he is not willing to gamble with taxpayer money.

Council Member Bradburn stated the average taxpayer is paying for others and she cannot support that.

City Manager Norman-Vacha reminded Council that the contract with Bryant, Miller and Olive states if it is appealed and it does not get validated then the City does not pay.

Mayor Burnett indicated he would like each Council Member to address questions as outlined to give staff direction for the April 4th Regular Council Meeting.

1. Does the City Council desire for the City of Brooksville to provide fire protection and rescue service? Council concurred; yes.
2. If the City of Brooksville wants to continue to provide fire protection and rescue services, what is the method for service delivery desired? Council concurred; A.) Existing internal department.
3. If the City of Brooksville wants to continue to provide fire protection and rescue services, how does City Council desire to fund the cost for service delivery? Council Member Bradburn stated there is no support for the new study and the old ad valorem system does not work; Council Member Pierce, Vice Mayor Johnston and Council Member Bernardini all support A.) General fund revenues, including ad valorem taxes only until a new system is proven.
4. If the City of Brooksville wants to continue to provide fire protection and rescue services and desires to fund these services by special assessment, in full or in part, which methodology alternative does City Council desire to pursue? Vice Mayor Johnston stated it is currently not applicable but eventually it would be B.) Simplified but comprehensive apportionment methodology.

Council Member Bradburn asked for clarification from City Attorney Rey that there could be a special assessment in part. City Attorney Rey explained it is similar to the approach chosen last year where the special assessment was designed and funded but only for a portion of the cost for the Fire Department. Council Member Bradburn asked if there could be a special assessment with a flat fee. City Manager Norman-Vacha stated there is no current methodology that allows for a flat fee. She advised the alternative method is closest to that and pointed out that it could be partially funded by both a special assessment and ad valorem.

Vice Mayor Johnston suggested charging every parcel in the City of Brooksville a \$50 flat fee similar to an ERU for standby capacity for fire service. City Attorney Rey advised it could be done as long as the standard is fair and reasonably apportioned across all the parcels that will be assessed or receive the benefit to property.

FIRE ASSESSMENT WORKSHOP MINUTES

MARCH 29, 2011

City Manager Norman-Vacha explained the Bryant, Miller & Olive proposal is a different way of looking at methodology than the current demand for service, which is based on calls and call-volume, therefore this methodology cannot be applied. She stated Mr. Lawson's approach should be questioned for fairness.

City Attorney Rey reiterated it all depends whether or not the \$50 fee can be deemed fair and reasonably apportioned to parcels receiving the benefit to property. She stated the Statute conflicts with the demand-based model that was presented for the Special Assessments and Bryant, Miller & Olive, as both are alternative methodology. She gave examples; take the cost of the Fire Department and divide it up by square foot or road frontage that would create a cent per square foot, a flat rate, to be applied across all parcels which would be allowed under Statute, or take the cost of the Fire Department and divide it up equally among the parcels in the City of Brooksville so that the flat rate per parcel funds the department then the legal foundation would be is that fee fair and reasonably apportioned to the parcels for the benefit it receives.

Council Member Bradburn stated ad valorem tax is based on the value of property but a flat fee would be applied to each parcel adjusting the tax bill by that amount.

Vice Mayor Johnston further clarified that the \$50 per parcel fee in the City of Brooksville would raise \$100,000 for example, then the millage rate would be reduced to fund the Fire Department by whatever amount would be close to equal to \$100,000; it is the same amount of money but everyone is now paying something. He questioned how to legally justify applying a flat fee amount. City Attorney Rey explained it is comparable to solid waste assessment, which is a flat fee based on a usage calculator per parcel. If there were a methodology that took the cost of that funded portion of the department and created a flat fee across all parcels that would benefit by that service then it would be legal. However, an arbitrary number applied across all parcels to reach an amount to be funded in the budget would not be legal.

City Manager Norman-Vacha stated the proposed rate for single family was \$150 in the current methodology that is demand based if Council desires to fund a third of the Fire Department budget.

Vice Mayor Johnston stated he is unclear of the reason for a \$64 per parcel rate difference between the County's vacant unimproved land and the City's by using on-demand methodology. City Manager Norman-Vacha explained the County being more rural has a different type of applying costs and suggested further review of the differentiation between residential and commercial as it pertains to demand for service methodology. She stated the Miller, Bryant and Olive proposal has a base fee solely based on readiness to serve but that approach does not fit demand for service methodology.

City Attorney Rey again referenced the Statute; apportioned by front or square footage of each parcel or through an alternative method provided that method is not in access of the proportionate benefits to the particular parcel being benefited. She pointed out \$50 per parcel has to be justified by applying this same rate to all parcels equally under a special assessment authority.

FIRE ASSESSMENT WORKSHOP MINUTES

MARCH 29, 2011

Council Member Bradburn disagreed and reiterated that by applying an ad valorem method not everyone is paying. By applying a flat fee, that insures everyone is paying.

Council Member Bradburn stated as the ad valorem revenue decreases so does the Fire Department budget proportionately and is concerned whether the necessary service can still be delivered.

Council Member Bernardini advised against lowering taxes any further and not eliminating basic services.

Jason Sager stated he pays ad valorem tax as a taxpayer and property owner and does not agree with a new way to fund fire services. He wants to know how much the ad valorem rate would have to increase to fund the Fire Department budget. He stated a legal precedent can be overwritten by a legislative action. He does not support the Miller, Bryant and Olive proposal and views it as their ulterior motive to market this to other fire districts throughout the State of Florida. He suggested a more prudent approach would be to present it to the legislative delegation to come up with a solution to this problem instead of being forced to go to the Supreme Court. He would like to know his options as a taxpayer. He would be willing to pay higher taxes for fire protection.

Council Member Bradburn indicated the public will be given as much information as possible going through the process this summer. She pointed out numerous attempts have been made to have these issues addressed legislatively to no avail.

Council Member Pierce asked how much would a tenth of a mill increase in the ad valorem tax rate generate in additional revenues.

Finance Director Baumgartner stated he would have to get back to Council with an exact number. He stated in 2010 a mill was \$414,776 but in 2009 it was approximately \$500,000; a tenth of a mill would be \$41,000. The MBNA audit is almost complete and he noted, based on the current millage rate at 6.37, that tax revenue at 95% three (3) years ago would be \$930,000 more, compared to today. He stated the problem cities across the State of Florida are addressing is up to a 45% decrease in property values. Hernando County has a 40% decrease, indicating another challenging budget year, but State revenues have improved in the last couple of years. Council Member Bradburn confirmed it is \$3 million dollars less in three (3) years.

Vice Mayor Johnston pointed out more detailed information will be provided during the budget cycle process.

Mayor Burnett encouraged the public to participate in the budget process to understand Council's goals and advised it is going to be a challenging budget year.

Council Member Bernardini advised there has not only been complaints on the number of personnel/equipment responding on fire calls but also on police calls. He views this as a management problem that could easily be solved by releasing unnecessary personnel from the scene as appropriate.

FIRE ASSESSMENT WORKSHOP MINUTES

MARCH 29, 2011

Council consensus was to stay on track as is but keep looking for a methodology for implementation.

ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 7:23 p.m.

Attest: Frankie Burnett
Mayor

[Signature]
City Clerk