



Item # 090581

Special Assessment for Fire Services



Special Assessment for Fire Services

- Introduction
- Updated Budget Projections & GFR Budget Issues
- Current Status & What's New
- Local Fire Assessments & Status of Alachua County
- Issues Raised by Commission/Other Issues
- Fire Assessment Options & Resources Needed
- Schedule for Study & Commission Consideration
- Recommendations & Questions



FY11 BUDGET UPDATE



Revenue by Major Category

GENERAL FUND REVENUE TRENDS			
	FY09 Actual	FY10 Budget	FY11 Estimated
Utility transfer	34,151,652	34,972,788	34,996,563
Property tax	23,205,086	25,015,326	24,515,019
Utility tax	9,428,438	9,696,998	10,087,346
Charges for services	7,426,209	7,349,316	7,402,866
Half cent sales tax	6,014,999	6,048,962	5,889,428
State revenue sharing	2,482,491	2,343,766	2,210,013
Comm. svcs. tax	5,357,125	5,640,306	5,696,709
Other	8,018,796	8,851,092	8,868,952
Total revenues	96,084,796	99,918,554	99,666,896



Expenditures

- FY11 expenditure estimate \$105.5 - \$106M
 - 2% raises
 - Pension contribution rate increases
 - Increased health insurance costs
 - Fire Station 8 coming on-line
 - COPS grant expires



FY11 Estimated Deficit

- Estimated deficit of \$5.8 - \$6.3M
- Departmental impact
 - If all departments participate at equal percentage requires 15% reduction



Estimated Budget Reductions

DEPARTMENTAL IMPACTS	
	@ 15%
Neighborhood Imp.	185,477
Planning & Dev Svcs	35,950
Planning	190,861
Admin Svcs	62,691
Clerk	108,133
City Manager	122,370
City Auditor	75,893
City Attorney	222,147
IT	350,528
Budget & Finance	390,381
EO	78,621
Public Works	836,039
GPD	3,965,093
GFR	1,953,659
General Svcs	236,619
PRCA	932,933
HR	215,244
Communciations	63,462



FY11 Estimated Deficit

- \$5.8 - \$6.3M deficit requires elimination of approximately 97 - 105 General Fund positions
 - Assumes average salary & benefits per employee of \$60,000



FY11 Estimated Deficit

- To cover deficit of \$5.8M through increased property tax would require a millage rate increase of 1.04 mills, or a 23.6% increase
 - Would require unanimous vote of City Commission
- Translates to increased taxes of \$156/yr for a \$200,000 property
- FY10 millage rate increase of 3.3% was first millage rate increase in a quarter of a century



Departmental Decrements:	FY07-FY09		FY10		Total	% FY10 Budget
Organizational Efficiencies	\$ 1,576,901	\$	1,842,354	\$	3,419,255	n/a
Neighborhood Improvement	135,000		61,947		196,947	14.23%
Planning	103,694		68,926		172,620	12.44%
Planning & Development	78,489		8,000		86,489	32.70%
Administrative Services	82,002		22,617		104,619	22.90%
Clerk of the Commission	15,075		20,800		35,875	4.59%
City Manager	27,112		44,700		71,812	8.02%
City Auditor	1,960		7,755		9,715	1.80%
City Attorney	72,679		78,813		151,492	8.91%
Information Technology	103,775		97,521		201,296	7.73%
Budget & Finance	244,796		142,655		387,451	13.00%
Equal Opportunity	16,091		13,100		29,191	5.24%
Public Works	425,354		200,693		626,047	6.31%
Gainesville Police	-		713,699		713,699	2.33%
Gainesville Fire Rescue	24,601		930,980		955,581	6.09%
General Services	298,610		71,115		369,725	16.28%
Parks, Rec & Cultural Affairs	359,470		207,428		566,898	7.39%
Human Resources	96,161		77,744		173,905	11.00%
Communications	132,359		-		132,359	30.23%
Non-Departmental	1,073,904		1,493,015		2,566,919	14.69%
TOTAL DECREMENTS	\$ 4,868,033	\$	6,103,862	\$	10,971,895	10.63%



GFR Budget Issues

- Decrements to date
- Potential decrements for FY 11
- Fire Station 8 operating costs



GFR Funding Options

- Fire Assessment
- SAFER Grant
- Fire Rescue Surtax
- Millage Increase
- No New Funding
 1. transfer resources to staff Fire Station 8
 2. other possible reductions



Current Status

- Enabling ordinance approved June 9, 2008
- Resolution of Intent for FY 11 approved September 17, 2009
- Would need to go through rate setting and approval process
- Can contract with consultant for new or updated study



What Has Changed

- Additional budget reductions in FY 09 & FY 10
- \$5.8 - \$6.3 projected deficit for FY 11
- Potential FY 11 GFR decrements of \$2 million
- Alternate/enhanced methodologies
 1. Tiered rates for residential
 2. Credit for fire suppression systems



Cities with Fire Assessments

Avon Park

Boynton Beach

Cocoa

Coconut Creek

Cooper City

Coral Gables

Coral Springs

Dania Beach

Davie

Deerfield Beach

Englewood Area Fire Control District

Fort Lauderdale

High Springs

Hillsboro Beach

Hollywood

Lake City

Lauderale by the Sea

Lauderhill

Margate

Miami

Miramar

Newberry

North Lauderdale

Oakland Park

Ocala

Ocoee

Parkland

Pembroke Pines

Pompano Beach

Sebring

Sunrise

Tallahassee

Tamarac

Village Center

West Palm Beach

Winter Garden

Winter Springs (ends in 09)



Counties with Fire Assessments

Baker

Brevard

Broward

Columbia

DeSoto

Dixie

Escambia

Gilchrist

Hardee

Hendry

Hernando

Highlands

Jefferson

Lake

Leon

Levy

Madison

Marion

Okeechobee

Osceola

Palm Beach

Pinellas

Polk

Santa Rosa

Sarasota

Sumter

Suwannee

Union

Wakulla

Walton



Status of Alachua County

- Discussed fire service funding options including surtax and fire assessment on October 20, 2009
- Contracting with Government Services Group (GSG) for a fire assessment study using GSG's enhanced methodology



Issues Raised by Commission

- Non-profit grant program
- Alternative/Enhanced methodologies
 1. Tiered residential rates
 2. Credit for fire suppression systems
- UF
 1. Efforts to reduce impact on GFR
 2. Properties subject to an assessment
 3. UPD support for College Park, party patrol, etc.



Other Issues

- Multi-family properties
- Hardship provisions



Fire Assessment Options

- New study with alternate/enhanced methodology addressing tiered residential rates & credits for fire suppression systems
- Existing 2008 study with traditional methodology and no tiered residential rates and credits for fire suppression systems



Resources Needed

- Consultant services - \$35,000 - \$65,000
- Mailing to property owners - \$20,000
- Significant staff time



Fire Assessment Schedule

- Contract with Consultant (January 2010)
- Fire Assessment Study (January – May 2010)
- Public Outreach (February – July 2010)
- Mailing of Notices (April - June 2010)
- Commission Public Hearings on Rate Resolutions & Commission Decision (May - July 2010)



Recommendation

The City Commission: 1) hear a presentation from staff, 2) direct the City Manager to proceed with all necessary preparations to allow for Commission consideration and potential implementation of a Special Assessment for Fire Services in FY 11, and 3) appropriate \$85,000 from the general fund fund balance to cover project costs.



Questions?