

COUNCIL WORKSHOP

A Council Workshop was held on June 18, 2018 at 6:00 p.m. in the meeting room of the Zephyrhills Public Library.

President Smith called the meeting to order. Roll call was taken. Present were members Ken Burgess, Jodi Wilkeson, Alan Knight, Charlie Proctor, Lance Smith and City Manager Steve Spina. Mayor Whitfield and City Attorney Matthew Maggard were absent.

Staff present: Police Chief Derek Brewer, Fire Chief Brian Swartout, Police Field Training Officer Morgan Upchurch, and City Clerk Lori Hillman.

WORKSHOP ITEM

1. FY 2018/2019 Fire Protection Assessment Study Presentation of Preliminary Results

Mr. Erick van Malssen, Consulting Manager with Stantec, narrated a PowerPoint presentation which began with a brief history of Stantec, followed by a fire assessment background, methodology discussion, and preliminary assessment calculations which included full and partial cost recovery assessment calculations. Mr. van Malssen explained a fire assessment is a non-ad valorem fee used to directly fund fire services. If the City chose to pursue an assessment, the City would have the choice to exempt churches, non-profits and charitable organizations so all users benefiting from fire services would pay their fair share. A fire assessment provides a diversified revenue source that does not fluctuate to the external forces of property evaluations and is isolated from the risk of the next recession and potential property downturns.

Mr. van Malssen explained the assessment adoption process:

- Two Public Hearings required for adoption:
 - Initial Resolution adoption to set the maximum rates to be advertised.
- Final Resolution adoption:
 - Mail first class notices to all affected property owners 20-days prior to the Final Resolution hearing. Notice requires date, time, and place of Final hearing and contains the proposed maximum assessment for the specific property.
- September 15, 2018 deadline for adoption to submit final tax roll to Pasco County Tax Collector.

Mr. van Malssen stated if fees raised through the fire assessment were offset by a millage reduction, the City would have a diversified revenue source without generating additional revenue. He said if the City reduces the millage proportionately to the dollars raised in the assessment, the high valued homes would benefit with an overall tax decrease and the low valued homes would see an overall tax increase by shifting the burden.

Dr. Spina stated the current millage rate is 6.35 which can be lowered to 6.0 by implementing a 30%-to-40% fire assessment fee and collecting from more citizens. He said the results of the City's 10 year general fund analysis is the basis for seeking diversified revenues combined with the state of Florida raising the homestead exemption rates. A copy of the General Fund Analysis will be forwarded to Council to reference the decline in ad-valorem taxes beginning in years 2022/2023.

Dr. Spina recommended postponing the implementation of fire assessment fees to FY 2019/2020 to create a plan, crunch more numbers, research cities with fire assessment fees, and determine which cities have lost departments to their respective counties. He will prepare for marketing and a successful rollout. This package will be added as part of the budget discussion along with a rate comparison analysis.

A discussion ensued surrounding a Citizen's Satisfaction Survey with a question tied directly to the Fire Assessment Fee i.e., ask citizens if they are willing to pay a bit more to keep their local fire department and receive a higher level of service.

Fire Chief Brian Swartout stated City of Zephyrhills residents do not pay a fire service fee or ambulance service fee that Pasco County citizens pay. He said if Council considers implementing the fire assessment fee, it would level the playing field.

Mr. van Malssen said citizens and property owners consider the primary function of government is to provide public safety services. He said residents will find comfort in the fact that public safety services will be directly funded by a mechanism that will not go away with the whims of the economy.

Meeting Adjourned: 7:09 p.m.