

**WORKSHOP MEETING
JUNE 24, 1996**

The meeting was called to order at 7:03 p.m. Council members present were Mayor Venis, Vice-Mayor Cox, Councilmembers Bush, Kiar and Santini. Also present were Town Attorney Webber, Town Administrator Flatley, Assistant Town Clerk Bergamini recording the meeting.

1. Proposed Emergency Medical Service/Fire Rescue Non-Ad Valorem Special Assessment

Christopher Wallace, Director of Budget and Finance, stated that the purpose of the meeting was to decide on tax policy on the special assessment. He provided a historical review and explained the loss of Minnet funding. Mr. Wallace related that \$1.2 million would be need to be recovered.

Mr. Wallace said that the new EMS service delivery could be paid through property taxes and property taxes were favored as an effective way for redistribution. He advised that another funding method was a non-ad valorem assessment. Mr. Wallace stated that the procedure was similar to the special assessment process and was a fair way of distributing the cost of services.

Councilmember Kiar inquired if a special assessment was tax deductible. Mr. Wallace responded negatively. Councilmember Kiar asked if a non-ad valorem was deductible. Mr. Wallace replied affirmatively.

Mr. Wallace stated that the people who used and benefited from the services should be paying for them. He stressed the need to strike a balance, be fair and equitable and do what was right for the community.

Mayor Venis asked if a comparison between cities had been performed. Mr. Wallace replied affirmatively, but said it was tentative because all the cities were in the same point in the process.

Mayor Venis questioned if costs that would be reimbursed had to be calculated. Mr. Wallace said the cost of starting the assessments, the process and any revenues derived would all be factors. Discussion ensued about the procedures used by neighboring cities.

Mr. Wallace stated that a decision would be required regarding exemption of certain classes of property from assessment. He cautioned that the dollars needed for exempted properties could not be redistributed to other properties.

Camille Gianastasio and Sarah Bleakly were introduced. Ms. Gianastasio explained cost apportionment, methodology and key issues. She described implementation, funding level and certain exemptions.

Ms. Bleakly provided legal details on special benefits and fair and reasonable apportionment. She said the ordinance that was being proposed would include legislative findings which summarized special benefits. Ms. Bleakly added that a requirement for a valid special assessment was that the charges be fairly and reasonably apportioned. She said that methodology was believed to meet the test. Ms. Bleakly detailed exemptions and said that rational reasons for excluding properties from exemption were possible. The catch, she reiterated, was other revenue would be required to provide the benefit to those properties.

Councilmember Kiar listed educational facilities as an issue. Councilmember Santini asked if a split was possible between ad valorem and special assessment. Vice-Mayor Cox suggested the possibility of assessment based on property worth as it would be a more equitable solution.

Ms. Bleakly related that one problem with ad valorem was that the Supreme Court closely examined ad valorem methodology because of the \$25,000 Homestead

Exemption. She provided details.

Regarding government property, Ms. Bleakly said the problem was with collection. She said a lien could not be placed on government property, but a bill could be issued and a mandamus action instituted. She conveyed challenge could arise as to whether the government had the authority to pay.

Ms. Bleakly responded to the question of educational properties being treated differently from other non-profit institutions. She said that a rational reason would be required. Conversation ensued.

Ms. Gianatasio explained the methodology. She began with cost of service and discussed the details. She stressed that \$6.9 million was the total budget with the EMS portion being less than 10%. Discussion followed.

Mayor Venis stated that keeping the millage intact provided easy tracking. Vice-Mayor Cox questioned the possibility of combining fire and EMS together which could go to schools and others. She commented on the expansion and future expansion of Nova Southeastern University and inquired if that had been considered.

Ms. Gianatasio recommended a review of the EMS call data in two to three years to analyze any change and adjust percentages accordingly. Councilmember Bush predicted a change in the 10% allocation by the following year. Ms. Gianatasio stated that the methodology utilized was based on historical demand.

Councilmember Kiar expressed a willingness to invest more money in better protection. As a property owner, he said he wanted to be assured of increased quality with minimal financial impact.

Mr. Wallace said that homeowners with property valued over \$200,000 would be better off with the special assessment indication. He stated that the fire assessment figure could lower the millage rate by 2.7 mills. Mr. Wallace detailed that a \$100,000 home with the exemption would realize a \$203 savings with a replacement of \$266. He listed several geographic locations of homes in that category.

Mr. Wallace expressed the challenge with the \$75,000 property and the spread difference. He said the effect on people was evident. Discussion followed.

Inquiry was made about assessment of individual residents. Ms. Gianatasio explained data based on square footage versus call loads.

Mayor Venis expressed the desire to maintain the millage rate. Mr. Wallace said it would be within 10% to 12% of the budget range.

Councilmember Santini expressed an ethical problem with the percentages. Mr. Webber stated that there was no perfect solution. He recommended finding a way to recuperate fire fees from rental properties.

Councilmember Santini returned to the split theory of ad valorem taxes for residential and special assessment for universities and non-profit organizations. Ms. Bleakly responded she had never seen that done.

Councilmember Kiar asked if, from a legal standpoint, the cost would have to be applied equally across the board. Mr. Webber replied that a rational basis would be required.

Ms. Gianatasio directed attention to the Implementation Schedule. She indicated Council would be providing direction at

its July 3rd meeting with the readings of the procedural ordinance being held on July 17th and 31st.

Ms. Gianatasio continued that the assessment resolution would be presented on July 31st and it would include the rates, methodology, special benefit and required findings. Following that date the first-class notices would be mailed, she said. Ms. Gianatasio stated that a public hearing would be held on August 29th. She said rates would be adopted at that time if Council decided to move forward.

Ms. Gianatasio requested some idea of funding level and exemptions by the July 3rd meeting. She said based on that direction they could go forward with rate determinations.

There being no objections or further business, the meeting was adjourned at 9:00 p.m.

APPROVED _____

Mayor/Councilmember

Town Clerk