

**CITY OF DUNNELLON
SPECIAL CITY COUNCIL WORKSHOP**

DATE: April 27, 2016
TIME: 5:30 p.m.
PLACE: City Hall
20750 River Dr., Dunnellon, FL 34431

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Vice-Mayor Green called the meeting to order at approximately 5:35 p.m. and led the Council in the Pledge of Allegiance. He asked if any invitee or volunteer was present to open with prayer. Pastor Tom Welch provided the invocation.

ROLL CALL

The following members answered present at roll call:

Vacant, Seat 2
Chuck Dillon, Councilman, Seat 3
Walter Green, Vice-Mayor, Seat 4
Richard Hancock, Seat 5

COUNCIL ABSENT

Nathan Whitt, Mayor, Seat 1

STAFF PRESENT

Eddie Esch, City Manager
Dawn Bowne, City Clerk
Chief Mike McQuaig, Police Dept.
Lt. Troy Slattery, Interim Fire Chief
Jan Smith, Finance Dept.
Mandy Roberts, Assistant City Clerk

LEGAL COUNSEL

None

PROOF OF PUBLICATION

Mrs. Bowne announced for the record the agenda for this meeting was posted on the City's website and City Hall bulletin board on Friday, April 22, 2016.

Vice-Mayor Green read the following statement into the record that was provided by Mayor Whitt via email to the City Manager:

"I unfortunately have to miss this workshop tonight as I had made business travel plans well before this meeting was called. I have read the entire study and am very impressed and fully aware of the potential positive impacts that implementation of an assessment could have. I have been asking our city council to fund this fire assessment study now for almost 3 years, so it is wonderful to finally see it come to fruition. I applaud the

efforts of Tindale Oliver for compiling all of the data and hard facts to present these potentially game changing findings for the City of Dunnellon.”

Vice-Mayor Green welcomed the representatives from Tindale Oliver.

AGENDA ITEM NO. 1 – REVIEW OF THE DRAFT FIRE ASSESSMENT STUDY – TINDALE OLIVER (3 ATTACHMENTS)

Nilgun Kamp and Steve Tindale of Tindale Oliver provided a brief PowerPoint presentation, *which is attached hereto and made a part of these minutes*.

In summary, Ms. Kamp provided the following findings:

1. Currently, the City of Dunnellon assesses 7.5 mils of property tax out of a possible 10 mils. This millage results in approximately \$1.06 million in revenues annually, or approximately \$141,000 per mil. With a FY 2016 funding requirement of approximately \$312,000, the Dunnellon Fire/Rescue Department requires over 2.36 mills of property tax revenues annually.
2. If Marion County assumes the responsibility to provide fire rescue services, the City of Dunnellon residents are likely to be required to pay the associated County assessment for fire rescue services as well as 0.77 mils of additional property taxes for the County’s medical services that are not recouped through the County’s assessment program. Currently, any County assistance is provided through a mutual aid agreement between the City and County at no additional cost to Dunnellon residents.
3. The funding requirement for the City to continue operating the fire department is determined to be \$340,000.00, which does not provide for capital improvements. The Marion County fire assessment which equates to \$390,000.00 would provide \$50,000.00 for capital improvements.

Ms. Kamp reviewed the Assessable Budget expenses and revenues as well as the Data by Land Use Categories and associated cost allocations. She discussed the Residential and the Vacant Land Tiering Options as well as exemptions and discounts. Ms. Kamp explained the Insurance Services Office (ISO) Rating and how it is determined.

There was also much discussion regarding the potential decrease in the level of service (response time) if the service is provided by Marion County.

Councilman Dillon stated he was of the understanding that the study would provide information on the current value of the department’s equipment and capital as well as future needs.

Mr. Oliver stated this was not provided for in the scope of services. Ms. Kamp stated this could certainly be addressed during the next phase of the study.

Vice-Mayor Green asked when the study was completed. Mr. Oliver stated a few weeks ago. Mr. Esch added there have been several drafts prior to the study being finalized. Vice-Mayor Green asked for the date of the first draft. Mr. Esch replied it was approximately one month ago. Vice-Mayor Green stated he felt that Council should have been involved in the process, beginning with the first draft. Mr. Oliver stated it is common for staff to work through several drafts before making a presentation to Council.

Vice-Mayor Green asked if the study addresses only the "Fire Service". Mr. Oliver explained that the services analyzed also include first response/rescue services, limited to BLS (Basic Life Support), which is currently provided by the department.

Vice-Mayor Green discussed the capital needs of the department, and emphasized the Council must consider what the City can afford. Mr. Oliver stated this can be analyzed in the next phase of the study. However, there would be no way the City could compete with the County in this respect. He stated response time would be the tradeoff.

Ms. Kamp referred to the Phase 2 Analysis Preliminary Schedule and implementation. ***These documents are also attached hereto and made a part of these minutes.***

Councilman Hancock emphasized the requisite for a capital need assessment, pointing out that the City is practically starting with none. He asked if he was correct in that Phase 2 of the assessment would cost an additional \$22,000.00. Mr. Oliver replied yes. Councilman Hancock asked if he is correct in his understanding that this would increase the funding requirement from \$340K to \$352K. Mr. Oliver replied yes. Councilman Hancock asked if the \$390K County assessment includes the .77 mils. Mr. Oliver replied yes.

Councilman Hancock asked for the statistical values of advalorem vs. non-advalorem users who would be impacted by an assessment. Mr. Esch stated he believes approximately 27% of users do not pay advalorem tax due to homestead exemption. Councilman Hancock said it is essential to understand how many additional users will be assessed in addition to the taxpayers, and this information should have been provided in the study. Mr. Oliver stated this data could be collected and provided to the City at no additional cost.

Councilman Hancock stated ultimately, he is not pleased with either option, considering that the County is capable of providing the necessary capital, but the City is able to provide a faster response time. He said the proper service level and capital needs must be identified. He further discussed methodologies in comparing the options.

Mr. Esch stated there had been discussion with regard to placing the assessment option on a referendum. Mr. Oliver stated it is not required, and rarely passes. He suggested holding meetings to solicit public input.

AGENDA ITEM NO. 2 – PUBLIC COMMENTS

Joan Duggins, 19687 SW 88th Loop, stated she would like to see the City keep the fire department without raising fees or taxes.

Mary Ann Hilton, 12078 Palmetto Court, discussed current level of service, medical transportation and calls outside of the city limits.

Brenda D’Arville, 11661 Camp Drive, stated she feels new commercial construction should be factored into the analysis, i.e. Hotel & Wendy’s.

Tom Welch, P.O. Box 143, commented on the cost of the study

Dominic Battista, 19860 SW 93rd Lane, commented on response times.

Penny Fleeger, 11735 E. Blue Cove Drive, commented on response times.

Pete Markwater, 19860 SW 93rd Place, commented on Council having good intentions.

It was the consensus of the Council to move forward with Phase 2 of the Analysis if the additional statistical information with regard to advalorem vs. non-advalorem users can be provided at no additional cost.

The meeting was adjourned at approximately 7:50 p.m.

Attest:

Dawn Bowne, MMC
City Clerk

Nathan Whitt, Mayor

City of Dunnellon Fire Assessment Study



DRAFT Results
April 27, 2016





Presentation Overview

- 1 Background/Purpose**
- 2 Findings of Technical Study**
- 3 Phase 2 Considerations**
- 4 Next Steps**



Background

- ◎ Fire Department Funded with **General Fund**
 - City-wide millage rate nearing the cap (**7.5-mills**)
- ◎ Potential Options:
 - **Fire assessment**
 - **Contract with the County**



Purpose

- ◎ Review results of Phase 1 analysis
- ◎ Obtain input from the City Council





Summary of Results

- ◎ County Service:
 - ✓ Longer response time
 - ✓ More expensive for most
- ◎ Fire Rescue Funding:
 - ✓ Assessment or Millage: \$340,000
 - ✓ Marion County Charges: \$390,000
 - Allows \$50,000 for capital



Presentation Overview

- 1** Background/Purpose
- 2** Findings of Technical Study
- 3** Phase 2 Considerations
- 4** Next Steps



Methodology

- ◎ Determining the assessable budget
 - Fire protection and first response
- ◎ Benefit to property
 - Resource-based
- ◎ Equity among land uses



Findings of Technical Study

Calculation Components:

- 1) Assessable budget
- 2) Demand by land use
- 3) Allocation by land use
- 4) Calculated assessment



1) Assessable Budget

- ◎ Measures portion of the budget that can be funded with fire assessment
- ◎ Per case law, includes expenses associated with EMS
 - ✓ DFRD only provides fire and first responder services
- ◎ FY 2016 Assessable Budget ≈ \$340,000



1) Assessable Budget

Steps in Determining Assessable Budget:

- 1) Review of expense/revenues
- 2) Plus: assessment-related factors





1) Assessable Budget

1) Review of Expenses/Revenues:

Description	FY 15/16 Budget
Personal Services	\$265,166
Operating	\$32,490
Maintenance	\$9,594
Training	<u>\$4,585</u>
<i>Subtotal Expenses</i>	<i>\$311,835</i>
Less: Fire Fees & Charges	\$3,500
Net Expenses	\$308,335



1) Assessable Budget

2) Assessment-Related Factors:

Description	FY 15/16 Budget
Study Reimbursement	\$10,000
Statutory Discount	\$15,917
Assessment Collection Costs	<u>\$6,367</u>
Total Misc. Expenses	\$32,284



1) Assessable Budget

Assessable Budget Summary:

Description	FY 15/16 Budget
Expenses	\$311,835
Less: Revenues	- \$3,500
Miscellaneous Expenses	<u>+ \$32,284</u>
Total Funding Requirement	\$340,619



2) Demand by Land Use

- Multiple years: 2010 through 2014
- Multiple variables:
 - ✓ Number of incidents by land use
 - ✓ Duration
 - ✓ Personnel/vehicles



2) Demand by Land Use

Staff Time:

- # of incidents x avg. duration x avg. staff on scene

Vehicle Time:

- # of incidents x avg. duration x avg. vehicles on scene

Total Resources:

- staff time + vehicle time



2) Demand by Land Use

Description	Distribution by Land Use		
	Total Incidents	Frequency Distribution	Resource Distribution
Single Family/Duplex/Mobile Home	980	46.8%	47.2%
Multi-Family Residential	335	16.0%	12.7%
Commercial/Industrial	522	24.9%	25.7%
Institutional	57	2.7%	2.8%
Government	133	6.4%	7.1%
Vacant Land	<u>66</u>	<u>3.2%</u>	<u>4.5%</u>
Total	2,093	100.0%	100.0%



2) Allocation by Land Use

Description	Resource Distribution		Tax Base Distribution	
	%	Budget	%	Budget
Single Family/Duplex/ Mobile Home	47.2%	\$160,772	51.0%	\$173,716
Multi-Family Residential	12.7%	\$43,259	4.8%	\$16,350
Commercial/Industrial	25.7%	\$87,539	37.2%	\$126,710
Institutional	2.8%	\$9,537	0.8%	\$2,725
Government	7.1%	\$24,184	0.0%	\$0
Vacant Land	<u>4.5%</u>	<u>\$15,328</u>	<u>6.2%</u>	<u>\$21,118</u>
Total	100.0%	\$340,619	100.0%	\$340,619



4) Calculated Assessment

Description	Unit	FY 2016 Assessed Costs	Number of Units	Calculated Rate
Single Family/Duplex/Mobile Home	Du/site	\$160,772	801	\$200.71
Multi-Family Residential	Du	\$43,259	208	\$207.98
Commercial/Industrial	Sq Ft	\$87,539	828,565	\$0.11
Institutional	Sq Ft	\$9,537	265,060	\$0.04
Government	Sq Ft	\$24,184	61,341	\$0.39
Vacant Land	acre	\$15,328	1,079	\$14.21



4) Calculated Assessment

Residential Tiering Option

Description	Unit	Avg Size (sq ft)	Size-Based	Avail. Based	Combined Rate
Single Family/Duplex					
- Less than 1,250 sq ft	Du	919	\$134.48	\$200.71	\$180.84
- 1,250 to 2,000 sq ft	Du	1,599	\$234.83	\$200.71	\$210.95
- Greater than 2,000 sq ft	Du	2,611	\$383.36	\$200.71	\$255.51
Mobile Home	Du	1,360	\$198.70	\$200.71	\$200.11
Multi-Family	Du	734	\$112.31	\$207.98	\$179.28
<i>All Homes</i>		<i>1,370</i>			
Weight Factor			30%	70%	



4) Calculated Assessment

Vacant Land Tiering Option

Size	Number of Parcels	Total Acreage	Flat Rate: \$20.52/parcel	Variable Rate: \$4.26/acre	Total	Total per Acre	Total per Parcel
<1 acre	470	144.17	\$9,644	\$614	\$10,258	\$71.15	\$21.83
1.00 – 4.99 acres	30	60.96	\$616	\$260	\$876	\$14.37	\$29.20
5.00 – 9.99 acres	7	54.30	\$144	\$231	\$375	\$6.91	\$53.57
10.00 – 19.99 acres	8	110.35	\$164	\$470	\$634	\$5.75	\$79.25
20.00 or more acres	<u>8</u>	<u>709.53</u>	<u>\$164</u>	<u>\$3,023</u>	<u>\$3,187</u>	\$4.49	\$398.38
Total	523	1,709.31	\$10,732	\$4,598	\$15,330	-	-

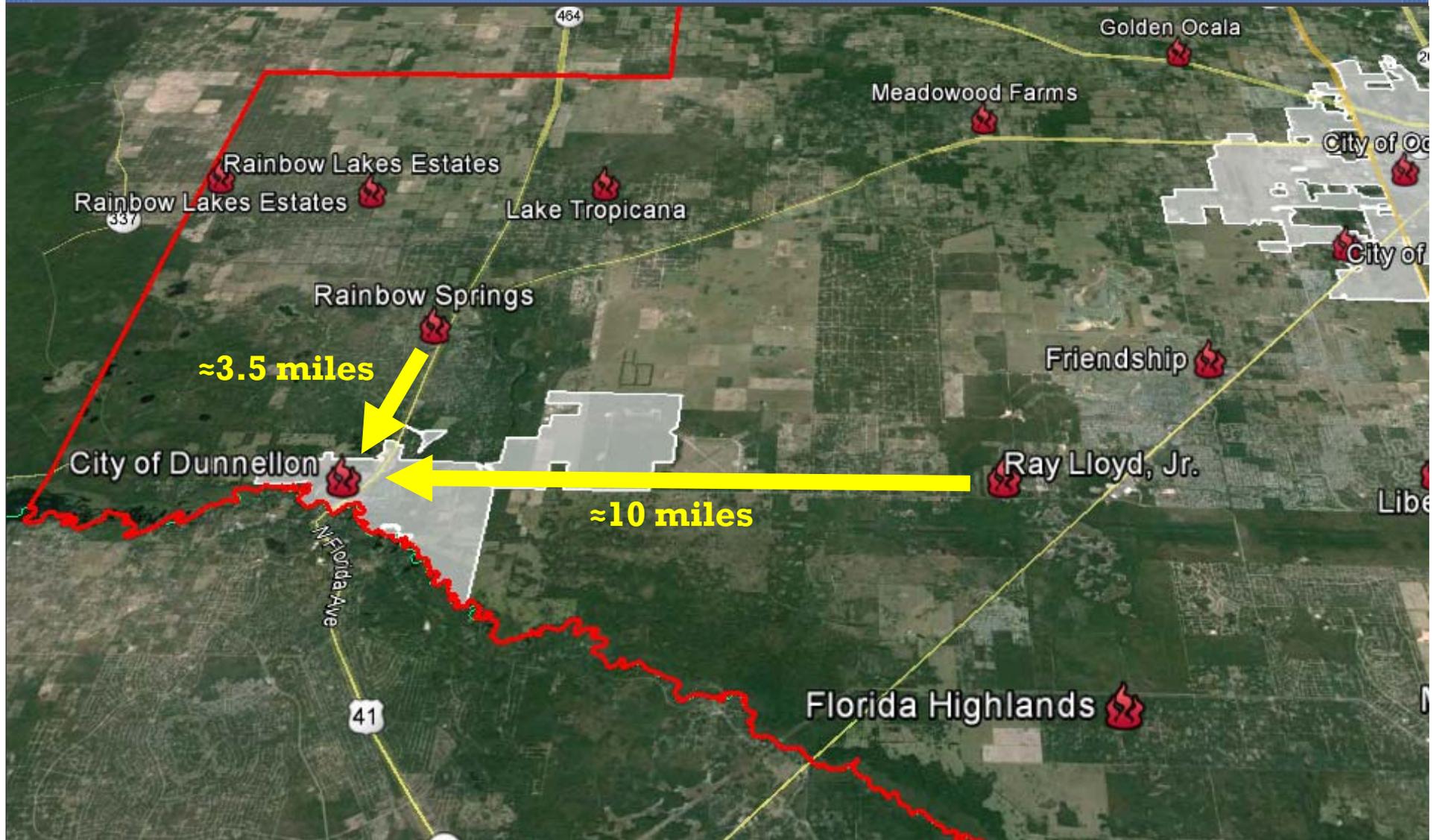


Marion County Fire Rescue

- Option to relinquish fire/rescue services to County
- Service from Rainbow Springs and Ray Lloyd, Jr. Stations
 - ✓ *≈3.5 and 10 miles away, respectively*
- Potential decrease in level-of-service (response time)



Fire Station Locations





Marion County Fire Rescue

Residents subject to:

- County's fire assessment rate
- County's dedicated EMS millage (0.77 mils)





Marion County Fire Rescue

Description	Unit	EMS Avg. Millage	MCFR Assessment	Total	Dunnellon Assessment	% Diff
Single Family/ Duplex/Mobile Home	Du/site	\$61.28	\$165.99	\$227.27	\$200.71	13.2%
Multi-Family Residential	Du	\$22.37	\$165.99	\$188.36	\$207.98	-9.4%
Commercial	Sq Ft	\$0.04	\$0.1135	\$0.1535	\$0.11	39.5%
Industrial	Sq Ft	\$0.04	\$0.0706	\$0.1106	\$0.11	0.5%
Institutional	Sq Ft	\$0.00	\$0.1431	\$0.1431	\$0.04	257.8%
Government	Sq Ft	\$0.00	\$0.00	\$0.00	\$0.39	-100.0%
Vacant Land	acre	\$5.48	\$1.03	\$6.51	\$14.21	-54.2%



Marion County Fire Rescue

Residential Tiering Option

Description	Unit	MCFR Total	Dunnellon Assessment	% Difference
Single Family/Duplex				
- Less than 1,250 sq ft	Du	\$227.27	\$180.84	+25.7%
- 1,250 to 2,000 sq ft	Du	\$227.27	\$210.95	+7.7%
- Greater than 2,000 sq ft	Du	\$227.27	\$255.51	-11.1%
Mobile Home	Du	\$227.27	\$200.11	+13.6%
Multi-Family	Du	\$188.36	\$179.28	+5.1%



Revenue Estimates

Potential Revenue*

○ Fire Assessment	\$340,000
○ Marion County Rates	\$390,000

* Does not account for \$20K to \$25K loss due to legally required exemptions



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Phase 2 Considerations

Fire Rescue Service Quality

- ◎ Response Time vs. Cost

Fire Rescue Needs

- ◎ Operations \$340,000/year
- ◎ Vehicle/capital replacement/
addition N/A



Phase 2 Considerations

Fire Rescue Funding

- Increase Millage (currently at **7.5-mils**)
- Implement an assessment program
 - ✓ **Can reduce millage**
- Combination of millage and an assessment program



Phase 2 Considerations

Fire Rescue Funding

- Assessment and/or Millage: **\$340,000**
- Implementing an assessment at Marion
County levels: **\$390,000**
 - ✓ Provides **\$50,000** for capital per year



Phase 2 Considerations

Fire Assessment Program Policy Decisions:

- Implementation level/phase-in
- Exemptions
- Residential tiering
- Non-residential cap
- Vacant land



Presentation Overview

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Next Steps

- ◎ City Council Input
- ◎ Phase 2 Analysis
- ◎ Implementation Process



Thank You!

Discussion/Questions





CITY OF DUNNELLON FIRE/RESCUE ASSESSMENT TECHNICAL STUDY

DRAFT Report
April 20, 2016



Prepared for:

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**CITY OF DUNNELLON
FIRE/RESCUE ASSESSMENT TECHNICAL STUDY**

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- Appendix A: City of Dunnellon Fire Department Incident Data
- Appendix B: Rate Category Classification Tables

CITY OF DUNNELLON

FIRE/RESCUE ASSESSMENT TECHNICAL STUDY

I. Introduction

Located in Marion County, the City of Dunnellon has a population of 1,750 within approximately 7.5 square miles. The Dunnellon Fire/Rescue Department (DFRD) provides fire protection and basic life support services to City residents through a combination of paid and volunteer fire fighters. Over the past five years, the Department achieved an average response time of less than 3 minutes. The Department is funded through the General Fund with an annual budget ranging from \$312,000 to \$356,000 over the past three years, which is one of the largest departmental budgets in the City. Given the importance of fire rescue services to the health and safety of residents, the City is exploring potential funding options for the fire rescue services and retained Tindale Oliver (TO) to prepare the technical study supporting the development of the City's fire/rescue special assessment program as well as explore other available funding options.

Fire/rescue assessments are used to fund the capital and operating costs associated with providing fire protection services to properties within many Florida cities and counties. The purpose of this study is to calculate fire/rescue assessment rates that are based upon the most current and appropriate available data for providing fire/rescue services within the city. In addition, this report also provides an evaluation of two alternative funding options, including:

- Ad valorem tax revenue/general fund (current method); and
- Relinquishing fire/rescue responsibilities to Marion County Fire/Rescue.

Ad valorem tax revenues are based on the value of the property and places the burden on each property in proportion to its value. However, due to homestead exemptions and the Save Our Homes cap on annual rate increases, the market value and taxable value of a home could be significantly different. Therefore, two similar homes may end up paying very different levels of taxes. The recent legislation that provides the portability of the homestead exemption may reduce the variation between newly purchased homes and those owned by the same owner for several years.

DRAFT RESULTS – FOR DISCUSSION PURPOSES

Currently, the City of Dunnellon assesses 7.5 mils of property tax out of a possible 10 mils. This millage results in approximately \$1.06 million in revenues annually, or approximately \$141,000 per mil. With a FY 2016 funding requirement of approximately \$312,000, the Dunnellon Fire/Rescue Department requires over 2.36 mils of property tax revenues annually.

If Marion County assumes the responsibility to provide fire rescue services, the City of Dunnellon residents are likely to be required to pay the associated County assessment for fire rescue services as well as 0.77-mils of additional property taxes for the County's medical services that are not recouped through the County's assessment program. Currently, any County assistance is provided through a mutual aid agreement between the City and County at no additional cost to Dunnellon residents.

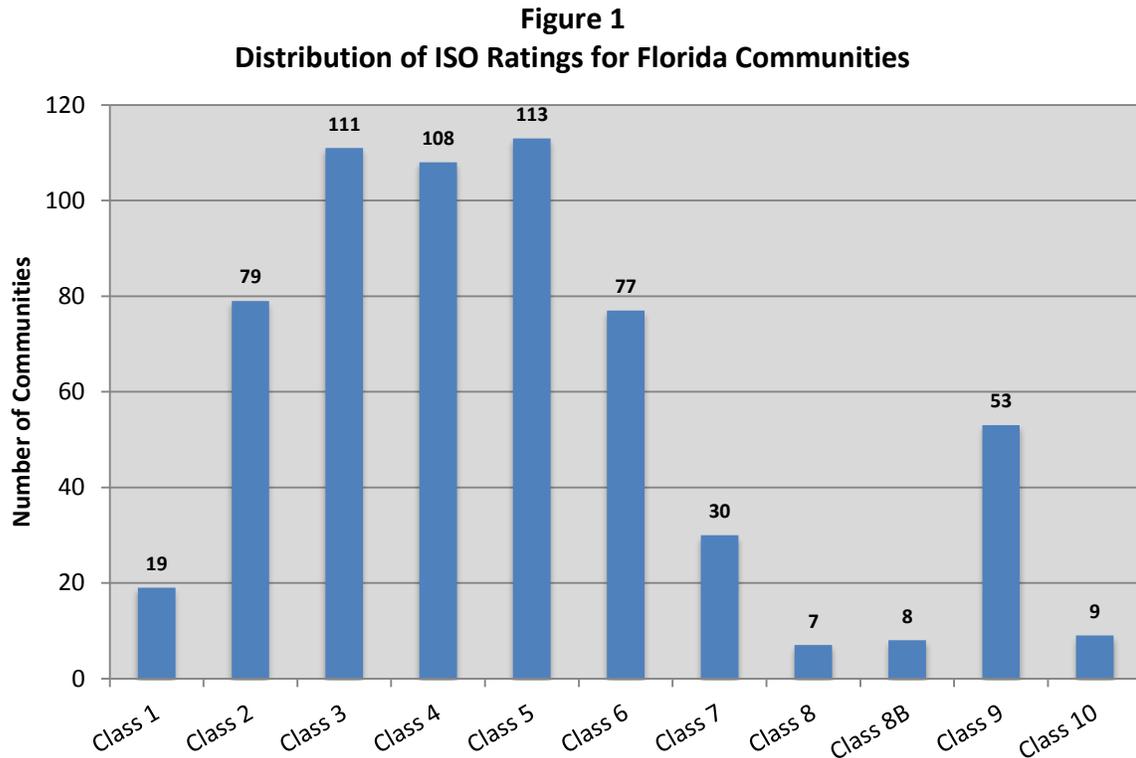
This report includes a comparison of potential cost for different property types under each scenario.

Insurance Services Office (ISO) Rating

Measurement of a community's fire protection services is provided through the Insurance Services Office (ISO), which collects information on municipal fire protection efforts throughout the United States. Ratings by the ISO are accepted by the insurance industry and by fire departments nationwide as the industry standard for measuring a fire department's capacity and ability to suppress fire incidents. For each community, ISO analyzes relevant data using its Fire Suppression Rating Schedule (FSRS). The three primary areas of data analyzed include 1) fire department fire alarm and communications system, 2) fire department staff and equipment, and 3) water supply system available to the fire department. In turn, the FSRS is used to assign a Public Protection Classification (PPC) from 1 to 10 (commonly referred to as a fire department's "ISO Rating"). An ISO Rating of Class 1 represents excellent public protection, while an ISO Rating of Class 10 indicates that the community's fire-suppression program does not meet ISO's minimum criteria. Participation in the ISO program aims primarily to provide a community with an objective and standard rating system used nationwide that assists fire departments in planning and budgeting for facilities, equipment, and training. In addition, ISO ratings are used by many insurance companies to establish appropriate fire insurance premiums for residential and commercial properties within that community, thus providing a financial incentive for communities that choose to improve their fire protection services.

DRAFT RESULTS – FOR DISCUSSION PURPOSES

DFRD’s current ISO rating is Class 6/9. Research on insurance premiums suggest that improvements on ISO ratings could result in significant savings. For example, an improvement from Class 9 to Class 4 tends to reduce insurance premium by 30 percent to 50 percent. **Figure 1** presents the distribution of ISO Ratings for Florida communities.



Source: Insurance Services Office; Public Protection Classification

Legal Requirements

There is a substantial body of case law in Florida upholding the authority of local governments to impose non-ad valorem assessments for fire services. See, for example, Fire Dist. No. 1 of Polk County v. Jenkins, 221 So.2d 740 (Fla. 1969); Lake County v. Water Oak Management Corp., 695 So. 2d 667 (Fla. 1997), City of North Lauderdale v. SMM Properties, Inc., 825 So.2d 343 (Fla. 2002), Desiderio Corp. v. City of Boynton Beach, 39 So.3d 487 (4th DCA 2010). Under Florida case law, the services or improvements funded by the assessment must provide “special benefit” to property, and the assessment methodology must apportion the costs in a fair and reasonable manner among the benefitted properties. A local government’s legislative determination as to the existence of special benefits and as to the fair apportionment should be upheld by a court unless the determination is arbitrary and not supported by competent, substantial evidence. See Sarasota County v. Sarasota Church of

DRAFT RESULTS – FOR DISCUSSION PURPOSES

Christ, Inc., 667 So.2d 180 (Fla. 1995). So far as the criteria utilized to establish valid non-ad valorem assessments and apportion assessments fairly among benefitted properties, a combination of call data within land use categories, duration of calls and the size of assessable properties was used. Such criteria have been frequently upheld by Florida as reasonable and not arbitrary. See Desiderio, 39 So.3d 487; South Trail Fire Control District, Sarasota County v. State of Florida, 273 So.2d 380 (Fla. 1973). Therefore, the methodology proposed here is reasonable and not arbitrary.

In City of North Lauderdale v. SMM Properties, the Florida Supreme Court determined that, although traditional fire protection and first responder services were appropriate services to be funded by a non-ad valorem assessment, emergency medical services did not provide the required special benefit to the assessed property. The North Lauderdale decision limits a fire assessment to that portion of the fire department budget that relates to traditional fire services, including first responder services.

The fire protection assessment methodology contained in this report is consistent with the above Florida Supreme Court ruling since DFRD provides only fire protection and BLS services and does not provide advanced life support (ALS) services.

The authority of local governments to adopt and impose special assessments for fire services and to develop fair and reasonable assessment apportionment methodologies was recently reaffirmed and unanimously upheld by the Florida Supreme Court in Morris vs. City of Cape Coral, No. SC14-350 (May, 2015).

II. Non-Ad Valorem Fire/Rescue Assessment

There are four components in determining the fire protection assessment rate schedule:

- Determination of fire/rescue funding requirement
- Distribution of fire/rescue incidents and resources by property rate category
- Determination of fire/rescue assessment allocation
- Distribution of units by land use rate category

These four components are discussed in further detail below, resulting in the calculated fire/rescue assessment rate schedule for the City of Dunnellon.

1. Fire/Rescue Assessment Funding Requirement

The first component in determining the City's fire/rescue assessment rates is to calculate the total assessable fire funding requirement. To accomplish this, DFRD's proposed fire budget for FY 2016 was reviewed, including personnel, operating, maintenance, administrative and other expenditures. More specifically, the following adjustments were made to the proposed FY 2016 budget:

DFRD's total assessed cost funding requirement for FY 2016 is approximately \$340,000.

- Given that DFRD provides only the fire/rescue and BLS services, the entire budget is eligible to be included in the assessment calculations.
- An analysis of the revenue sources indicated that there is a small amount of dedicated revenue from fire fees and charges that are collected. This amount was subtracted from the Department's expenditures.
- Miscellaneous assessment expenditures, such as the statutory discount, collection costs, and the technical study reimbursement, were added to the assessable costs. At this time, the City does not have an agreement with the Tax Collector or the Property Appraiser to charge and collect the fire assessment. For the purposes of this initial analysis, this charge is estimated at 2% of collections.

As presented in **Table 1**, the DFRD's current funding requirement for FY 2016 is approximately \$340,000.

DRAFT RESULTS – FOR DISCUSSION PURPOSES

**Table 1
Dunnellon Fire/Rescue Department Assessable Budget**

Description	FY 2015-16 Assessable Budget
Expenditures⁽¹⁾	
Personal Services	\$265,166
Operating	\$32,490
Maintenance	\$9,594
Training	\$4,585
<i>Subtotal - Total Expenditures</i>	<i>\$311,835</i>
Revenues⁽¹⁾	
Fire Fees and Charges	\$3,500
<i>Subtotal - Revenues</i>	<i>\$3,500</i>
Total Net Expenditures⁽²⁾	\$308,335
Miscellaneous Assessment Expenditures	
Study Reimbursement ⁽³⁾	\$10,000
Statutory Discount ⁽⁴⁾	\$15,917
Assessment Collection Costs ⁽⁵⁾	\$6,367
<i>Subtotal - Misc. Assessment Expenditures</i>	<i>\$32,284</i>
Total Assessment Funding Requirements⁽⁶⁾	\$340,619

- (1) Source: City of Dunnellon Fire/Rescue Department
- (2) Subtotal expenditures less subtotal revenues
- (3) Represents annualized costs associated with the technical study and attorney fees
- (4) Reflects 5.0 percent reimbursement of the total net expenditures and study reimbursement, which includes 4% to offset statutory discounts received for early payment pursuant to the Uniform Assessment Collection Act and 1% reserve for delinquencies and under-collection.
- (5) Reflects an estimated 2% reimbursement of the total net expenditures and study reimbursement to the Tax Collector's Office for the collection costs related to the fire assessment
- (6) Sum of total net expenditures (Item 2) and the subtotal miscellaneous assessment expenditures

DRAFT RESULTS – FOR DISCUSSION PURPOSES

2. Fire/Rescue Incident Data by Land Use Categories

The second component in determining the fire/rescue assessment rates is to calculate the demand for services by land use category. Case law requires that assessment rates should reflect the benefit to the property. This is typically determined based on the use of the Fire Department's services, which can be measured through the historical demand for fire/rescue services by land use categories.

To determine the historical demand for fire/rescue services by each type of land use, a review was completed to quantify the number incidents and effort/resources related to each incident by land use. To complete this analysis, the data on all incidents for the past five years (2010 through 2014), obtained from National Fire Incident Reporting System (NFIRS), were analyzed. Use of multiple years increases the sample size, resulting in a more stable distribution.

Because distributing the cost based only on the number of incidents does not reflect the full level of resources used by each land use, total effort that takes into consideration incident duration, vehicle and staff time in addition to the frequency used in the calculations. This information is presented in **Table 2**. As shown in Table 2, compared to frequency distribution, the distribution of total resources reduces the burden for multi-family land use and increases for other land uses.

Table 2
Distribution of Fire/Rescue Incidents

Property Rate Category	2010 through 2014		
	Total Incidents	Frequency Distribution	Resource Distribution
Residential			
Single Family/Duplex/Mobile Home	980	46.8%	47.2%
Multi-Family Residential	335	16.0%	12.7%
Non-Residential			
Commercial/Industrial	522	24.9%	25.7%
Institutional	57	2.7%	2.8%
Government	133	6.4%	7.1%
Vacant Land	66	3.2%	4.5%
Total	2,093	100.0%	100.0%

Source: Appendix A, Table A-1

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3. Fire/Rescue Assessment Cost Allocation

The third component in determining the fire/rescue assessment rates is to allocate the assessed costs to each property rate category, based on the total fire/rescue assessment funding requirement and distribution of fire incidents. **Table 3** presents the fire/rescue assessed cost allocation by land use/rate category. In addition, the table provides a distribution of the tax base in Dunnellon. As presented, under the fire/rescue assessment program, single family/duplex/mobile home, commercial/industrial, and vacant properties are likely to fund a smaller portion of the fire/rescue budget while multi-family, institutional and government properties are likely to fund a larger portion.

Table 3
Distribution of Assessable Budget by Land Use

Property Rate Category	Distribution of Resources ⁽²⁾	FY 16 Assessed Costs ⁽³⁾	Distribution of Tax Base ⁽⁴⁾	FY 16 Assessed Costs ⁽⁵⁾
Funding Requirement⁽¹⁾	-	\$340,619	-	\$340,619
Residential				
Single Family/Duplex/Mobile Home	47.2%	\$160,772	51.0%	\$173,716
Multi-Family Residential	12.7%	\$43,259	4.8%	\$16,350
Non-Residential				
Commercial/Industrial	25.7%	\$87,539	37.2%	\$126,710
Institutional	2.8%	\$9,537	0.8%	\$2,725
Government	7.1%	\$24,184	0.0%	\$0
Vacant Land	4.5%	\$15,328	6.2%	\$21,118
Total	100.0%	\$340,619	100.0%	\$340,619

(1) Source: Table 1

(2) Source: Table 2

(3) Funding requirement (Item 1) multiplied by the distribution of effort (Item 2) for each property category

(4) Source: Marion County Property Appraiser

(5) Funding requirement (Item 1) multiplied by the distribution of the tax base (Item 4) for each category

4. Land Use Data and Calculated Rates

The fourth component in determining the fire/rescue assessment rates is to calculate the distribution of assessed costs to property units (e.g., dwelling units, square footage, or parcels) within each land use category. To accomplish this, the property data obtained from the Marion County Property Appraiser was used.

Each property within the city is assigned to a Property Code (PC), based on assignment by the Marion County Property Appraiser. Similar to the fire/rescue incidents, each PC code has

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been assigned to a specific property rate category. A list of the rate category assigned to each PC code is provided in Appendix B, Table B-2. It should be noted that not every PC code included in this table is representative of properties within the City of Dunnellon; however, each primary PC code has been classified under a property rate category, thereby accommodating any types of future development not currently in the city that maybe approved in the future.

Table 4
Units by Land Use

Property Rate Category	Unit	Total Number of Units
<i>Residential</i>		
Single Family/Duplex/Mobile Home	dwelling unit/site	801
Multi-Family Residential	dwelling unit	208
<i>Non-Residential</i>		
Commercial/Industrial	square feet	828,565
Institutional	square feet	265,060
Government	square feet	61,341
Vacant Land	acre	1,079

Source: Marion County Property Appraiser

Once the number of units was determined, allocated cost for each land use was divided by the associated units to determine the average base rate. **Table 5** provides a summary of units by land use and calculated base rates for each land use.

Table 5
Calculated Non-Ad Valorem Fire/Rescue Assessment Rates

Property Rate Category	Unit	FY 2016 Assessed Costs ⁽¹⁾	Number of Units ⁽²⁾	FY 2015/16 Calculated Rate per Unit ⁽³⁾
<i>Residential</i>				
Single Family/Duplex/Mobile Home	du/site	\$160,772	801	\$200.71
Multi-Family Residential	du	\$43,259	208	\$207.98
<i>Non-Residential</i>				
Commercial/Industrial	sq ft	\$87,539	828,565	\$0.11
Institutional	sq ft	\$9,537	265,060	\$0.04
Government	sq ft	\$24,184	61,341	\$0.39
Vacant Land	acre	\$15,328	1,079	\$14.21

(1) Source: Table 3, Item 3

(2) Source: Table 4

(3) Fire assessment allocation (Item 1) divided by the number of units (Item 2)

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Alternative Scenarios

Residential Land Uses

As discussed previously, case law requires that assessment rates should reflect the benefit to the property. As such, it is important to include two measures of benefit:

- The use of the Fire/Rescue Department's services, which can be measured through the historical demand for fire protection services by land use categories; and
- Size of the property that is being protected, since larger buildings tend to benefit more from fire suppression.

Non-residential land uses are charged on a per square foot basis. A similar analysis is introduced in the case of residential land uses. As presented in Table 5, in determining the impact of resources used, the portion of the assessable budget allocated to residential land uses was divided by the total number of units to determine the rate per dwelling unit. Under the resource-based or availability-based approach, this value would be the same for all homes.

In determining the impact of the size, all residential parcels were evaluated and five building category/size ranges, or "groups," were used. The average square footage of all residential land uses was calculated to be 1,370 square feet. This was used as the average of the 1 equivalent residential unit (ERU). The average of each group was compared to the average square footage for all units to determine appropriate ERU factor. The rate calculated under the resource-based approach by dividing the allocated budget by the number of units was used to determine the rate per 1 ERU. This figure was adjusted for each group by using the ERU factor.

Finally, both approaches were combined by weighing size-based calculations by 30 percent and availability-based calculations by 70 percent. These weight factors reflect the industry standard of no more than 30 percent utilization (providing active resources) being recommended for fire departments to allow for availability of staff for multiple incidents and for training, fatigue, etc. **Table 6** provides the resulting assessment schedule for all residential properties.

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**Table 6
Alternative Residential Land Use Schedule**

Land Use	Average Size	ERU Factor ⁽¹⁾	Calculated Fee		
			Size-Based ⁽²⁾	Availability-Based ⁽³⁾	Combined ⁽⁴⁾
<i>Residential Land Uses</i>					
Single Family	1,546	1.13	\$226.80	\$200.71	\$208.54
- Less than 1,250 sf	919	0.67	\$134.48	\$200.71	\$180.84
- 1,250 to 2,000 sf	1,599	1.17	\$234.83	\$200.71	\$210.95
- Greater than 2,000 sf	2,611	1.91	\$383.36	\$200.71	\$255.51
Mobile Home	1,360	0.99	\$198.70	\$200.71	\$200.11
Multi-Family	734	0.54	\$112.31	\$207.98	\$179.28
Weight Factor ⁽⁵⁾			30%	70%	
Allocated Budget Amount ⁽⁶⁾		\$204,031			
Average Square Footage ⁽⁷⁾	1,370				

- (1) Calculated by dividing average of each group by the average square footage (Item 7) for the entire group
- (2) ERU factor (Item 1) multiplied by the resource based rate (Item 3)
- (3) Source: Table 5
- (4) Size based (Item 2) and resource based (Item 3) figures combined by using the indicated weight factors (Item 5)
- (5) Based on the industry standard of up to 30% utilization/active time for fire rescue personnel to allow for training, fatigue, the necessary level of available staffing, etc.
- (6) Source: Table 3 (total for all residential categories)
- (7) Source: Marion County Property Appraiser Database

Vacant/Agricultural Land Uses

An alternative scenario was prepared for vacant/agricultural land. Similar to the residential tiering approach, 70 percent of the allocated budget for vacant land was distributed equally among all vacant parcels. This amount reflects the availability of DFRD for all property within the city. The remaining 30 percent, which measures the active time, is distributed on a per acre basis.

Tables 7 and 8 provide the results of this analysis. As presented in **Table 7**, this approach results in a flat fee of \$20.52 per parcel, and an additional fee of \$4.26 per acre. This alternative approach recognizes the fact that availability of DFRD is a benefit to each property, which is captured through a flat rate per parcel, and the use of DFRD’s resources vary by size, which is captured through the variable, per acre rate.

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**Table 7
Adjusted Budget and Vacant Land Rates**

Description	Figure	Budget	Assessment Rate ⁽⁶⁾
Vacant Land Budget ⁽¹⁾		\$15,328	
- Availability Based ⁽²⁾	70%	\$10,730	
- Resource Based ⁽³⁾	30%	\$4,598	
Number of Parcels ⁽⁴⁾	523		\$20.52
Number of Acres ⁽⁵⁾	1,079		\$4.26

(1) Source: Table 3

(2) Number of parcels (Item 4) multiplied by \$20.52 per parcel, which represents 70% of the budget

(3) Vacant/Agr budget (Item 1) minus the availability-based budget (Item 2)

(4) Source: Marion County Property Appraiser

(5) Source: Marion County Property Appraiser

(6) Flat fee of \$20.52 is applied to all parcels. Additional \$4.26 per acre is calculated by dividing the resource-based budget (Item 3) by the number of acres in the City (Item 5)

Table 8 provides total assessment on vacant parcels based on this approach. As presented, the total assessment increases as the parcel size increases. The change in the rate for small parcels reflect the fact that these parcels have a certain amount of benefit regardless of size, and although the rate per parcel increases as the parcel size increases, the rate of increase is moderated.

**Table 8
Total Assessment for Vacant Land**

Size	Number of Parcels ⁽¹⁾	Total Acreage ⁽²⁾	Flat Rate Collection (@\$20.52 per Parcel) ⁽³⁾	Variable Rate Collection (@\$4.26 per Acre) ⁽⁴⁾	Total Assessment ⁽⁵⁾	Total Assessment per Acre ⁽⁶⁾	Total Assessment per Parcel ⁽⁷⁾
<1 acres	470	144.17	\$9,644	\$614	\$10,258	\$71.15	\$21.83
1.00 - 4.99 acres	30	60.96	\$616	\$260	\$876	\$14.37	\$29.20
5.00 - 9.99 acres	7	54.30	\$144	\$231	\$375	\$6.91	\$53.57
10.00 - 19.99 acres	8	110.35	\$164	\$470	\$634	\$5.75	\$79.25
20.00 or more acres	8	709.53	\$164	\$3,023	\$3,187	\$4.49	\$398.38
Total	523	1,079.31	\$10,732	\$4,598	\$15,330	-	-

(1) Source: Marion County Property Appraiser

(2) Source: Marion County Property Appraiser

(3) Flat rate calculated in Table 7 multiplied by number of parcels (Item 1)

(4) Variable rate calculated in Table 7 multiplied by total acreage (Item 2)

(5) Sum of flat and variable rate collections (Item 3 and 4)

(6) Total assessment (Item 5) divided by total acreage (Item 2)

(7) Total assessment (Item 5) divided by number of parcels (Item 1)

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Exemptions and Discounts

The City has the legal authority to assess all non-governmental properties that receive special benefit from the fire rescue services. Federal and State-owned property is immune from taxes and non-ad valorem assessments. Further, all school district properties are exempt from non-ad valorem assessments unless they agree by interlocal agreement to pay the assessment up front. In addition, some local governments have determined that the special benefit to religious facilities is “de minimis” based on criteria such as incident data and the fact that these facilities operate on a limited basis and have either reduced or eliminated the assessments of property used exclusively for religious purposes. Similarly, many governments do not charge their own facilities since this simply results in an accounting function of moving dollars from one fund to another and does not generate any additional revenue for the City. Any reduced revenues from exemptions must be funded by other lawfully available revenues of the City and not be shifted to the assessments imposed on other properties.

Several communities reduced or eliminated the assessment for vacant property based on the fact that the service to a vacant property benefits primarily the surrounding properties, and as such, should be shared by all properties.

In terms of non-residential structures, DFRD’s current fire flow capability allows the Department to handle fires in buildings up to 60,000 square feet depending on the structure type.

These issues and options will be further discussed with the Fire Department and the City as the study continues to determine the best approach.

III. Marion County Fire Rescue

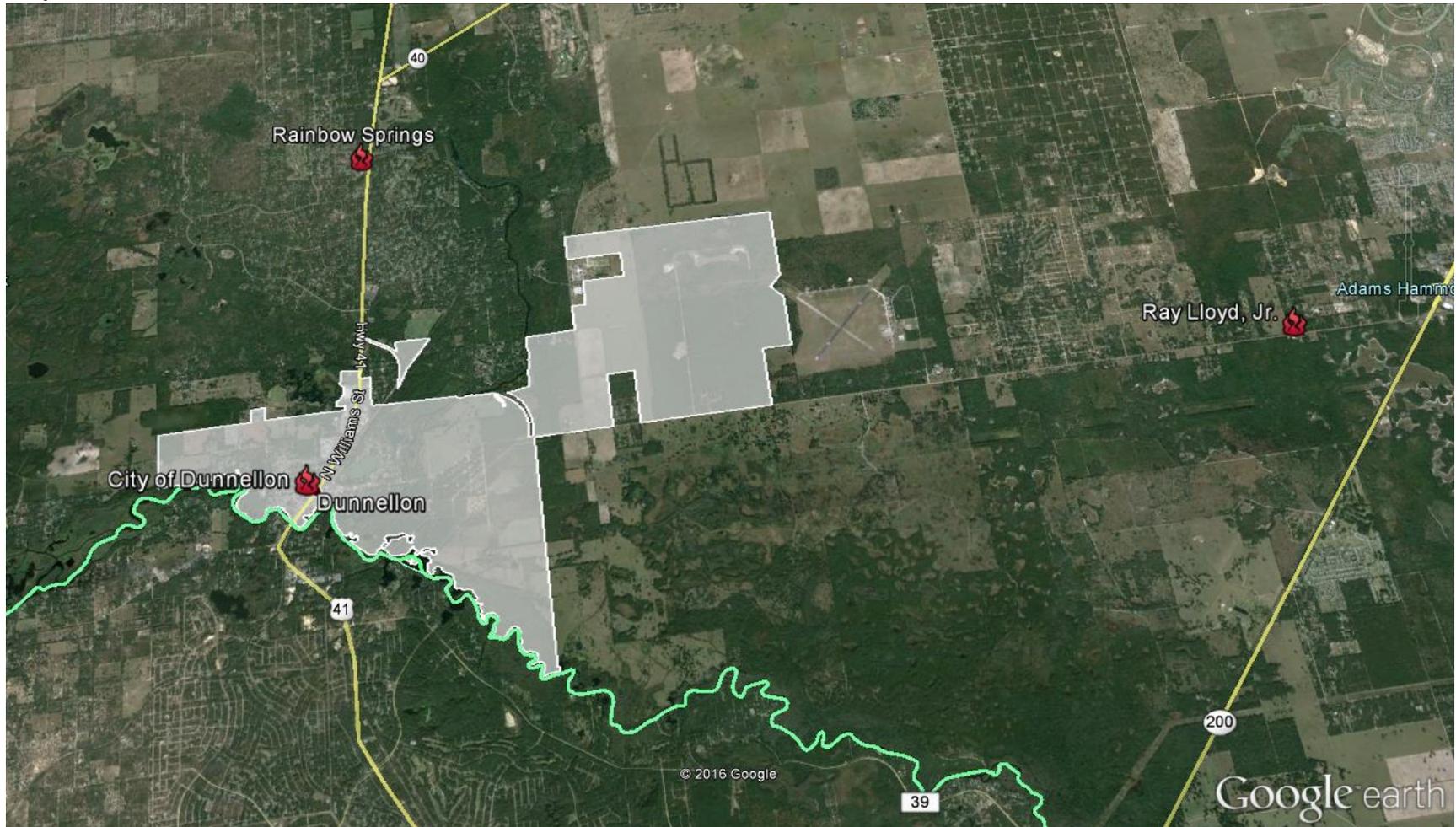
As an alternative to directly providing fire rescue services, the City of Dunnellon has the option to relinquish fire/rescue services to the Marion County Fire Rescue Department. Under this scenario, fire/rescue service would be provided from the nearby Rainbow Springs and Ray Lloyd, Jr. fire stations. The current fire station within the City would cease to operate and the funding burden would be shifted to the County.

If this option was selected, residents of Dunnellon are likely see a decrease in the level of service in terms of response time based on the longer distances between the City and the closest County fire stations. Map 1 presents the location of the current City fire station and the closest County fire stations.

In addition, residents would be subject to County's fire assessment rate and the dedicated EMS millage (0.77 mils). As shown in Table 9, the calculated fire assessment was compared to the EMS ad valorem millage and fire assessment rates charged by Marion County. Based on this analysis, a single family homeowner would pay approximately 13 percent more for fire/rescue services if the County were to provide service compared to the calculated assessment. As a reference Table 9 also presents millage equivalent of the 2016 Fire Department Budget. As presented, when the City funds the Department through property taxes, commercial, industrial, institutional and vacant land uses tend to pay a larger amount while single family/duplex/mobile home, multi family, and government properties pay less.

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Map 1: Fire Station Locations



Rainbow Springs ≈ 4 miles from Dunnellon
Ray Lloyd, Jr. ≈ 8 miles from Dunnellon

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**Table 9
Marion County Fire Rescue Scenario**

Property Rate Category	Unit	Number of Units ⁽¹⁾	Taxable Value ⁽²⁾	Average Taxable Value per Unit ⁽³⁾	Marion County EMS Millage ⁽⁴⁾	EMS Millage per Unit ⁽⁵⁾	MCFR Assessment Rate ⁽⁶⁾	Total ⁽⁷⁾	Dunnellon Calculated Fire Assessment ⁽⁸⁾	% Difference	Dunnellon Fire Rescue Millage ⁽⁹⁾
Residential											
Single Family/Duplex/Mobile Home	du/site	801	\$63,746,852	\$79,584	0.77	\$61.28	\$165.99	\$227.27	\$200.71	13.2%	\$183.04
Multi-Family Residential	du	208	\$6,042,890	\$29,052	0.77	\$22.37	\$165.99	\$188.36	\$207.98	-9.4%	\$66.82
Non-Residential											
Commercial	sq ft	828,565	\$46,369,195	\$56	0.77	\$0.04	\$0.1135	\$0.1535	\$0.11	39.5%	\$0.1288
Industrial	sq ft				0.77	\$0.04	\$0.0706	\$0.1106	\$0.11	0.5%	\$0.1288
Institutional	sq ft	265,060	\$959,621	\$4	0.77	\$0.00	\$0.1431	\$0.1431	\$0.04	257.8%	\$0.0092
Government	sq ft	61,341	\$0	\$0	0.77	\$0.00	\$0.00	\$0.00	\$0.39	-100.0%	\$0.00
Vacant Land	acre	1,079	\$7,674,920	\$7,113	0.77	\$5.48	\$1.03	\$6.51	\$14.21	-54.2%	\$16.36

(1) Source: Table 4

(2) Source: Marion County Property Appraiser’s Office. Mixed-Use developments were excluded

(3) Taxable value (Item 2) divided by the number of units (Item 1)

(4) Source: Marion County FY 2015-16 Adopted Budget; Fire, Rescue and EMS Fund

(5) Average Taxable Value per Unit (Item 3) divided by 1,000 and multiplied by the Marion County EMS millage (Item 4)

(6) Source: Marion County Fire Rescue Department. Non-residential rates include adjustment to account for the availability and service component of the fee (\$140.43 per EDU; 1 EDU = 2,332 sq ft)

(7) Sum of the average revenue per unit (Item 5) and the MCFR assessment (Item 6)

(8) Source: Table 5

(9) City of Dunnellon average equivalent fire/rescue millage per unit; 2.3 mils towards fire/rescue multiplied by the average taxable value per unit (Item 3) and divided by 1,000

Appendix A
City of Dunnellon Fire Department Incident Data

DRAFT RESULTS – FOR DISCUSSION PURPOSES

This appendix documents the incident data analysis conducted as part of the technical study. Incidents over the past five years were analyzed in terms of demand from different land uses. **Tables A-1 through A-4** present this analysis and provide an overall average for the five-year period.

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**Table A-1
Distribution by Land Use**

Incident Type	2010		2011		2012		2013		2014		Average % Distribution (2010-2014)
	Number of Incidents	Percent Distribution									
Single Family/Duplex/Mobile Home	161	44.6%	190	44.5%	188	47.2%	238	53.1%	203	44.2%	46.8%
Multi-Family Residential	49	13.6%	64	15.0%	59	14.8%	61	13.6%	102	22.2%	16.0%
Commercial/Industrial	100	27.7%	107	25.1%	102	25.6%	98	21.9%	115	25.1%	24.9%
Institutional	12	3.3%	10	2.3%	6	1.5%	11	2.5%	18	3.9%	2.7%
Vacant Land	11	3.0%	19	4.4%	20	5.0%	9	2.0%	7	1.5%	3.2%
Government	28	7.8%	37	8.7%	23	5.8%	31	6.9%	14	3.1%	6.4%
Total	361	100.0%	427	100.0%	398	100.0%	448	100.0%	459	100.0%	100.0%

Source: National Fire Incident Reporting System

**Table A-2
Distribution of Staff Time by Land Use**

Incident Type	2010		2011		2012		2013		2014		Average % Distribution (2010-2014)
	Staff Time	Percent Distribution									
Single Family/Duplex/Mobile Home	128	44.9%	114	37.5%	110	46.8%	184	58.8%	117	47.0%	47.1%
Multi-Family Residential	29	10.2%	33	10.9%	32	13.6%	35	11.2%	50	20.1%	12.9%
Commercial/Industrial	63	22.1%	113	37.2%	52	22.1%	68	21.7%	61	24.5%	25.8%
Institutional	13	4.6%	5	1.6%	4	1.7%	5	1.6%	11	4.4%	2.7%
Vacant Land	6	2.1%	19	6.3%	22	9.4%	6	1.9%	4	1.6%	4.1%
Government	46	16.1%	20	6.6%	15	6.4%	15	4.8%	6	2.4%	7.4%
Total	285	100.0%	304	100.0%	235	100.0%	313	100.0%	249	100.0%	100.0%

Source: National Fire Incident Reporting System

Note: Staff time by land use is calculated by multiplying the average duration of incidents by land use by the average number of staff at each incident.

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**Table A-3
Distribution of Vehicle Time by Land Use**

Incident Type	2010		2011		2012		2013		2014		Average % Distribution (2010-2014)
	Vehicle Time	Percent Distribution									
Single Family/Duplex/Mobile Home	93	44.3%	90	37.5%	82	45.6%	142	60.7%	91	47.9%	47.2%
Multi-Family Residential	20	9.5%	25	10.4%	23	12.8%	25	10.7%	38	20.0%	12.4%
Commercial/Industrial	47	22.4%	91	37.9%	40	22.2%	47	20.1%	46	24.2%	25.7%
Institutional	11	5.2%	4	1.7%	3	1.7%	4	1.7%	8	4.2%	2.8%
Vacant Land	5	2.4%	17	7.1%	21	11.7%	6	2.6%	3	1.6%	4.9%
Government	34	16.2%	13	5.4%	11	6.1%	10	4.3%	4	2.1%	6.8%
Total	210	100.0%	240	100.0%	180	100.0%	234	100.0%	190	100.0%	100.0%

Source: National Fire Incident Reporting System

Note: Vehicle time by land use is calculated by multiplying the average duration of incidents by land use by the average number of vehicles at each incident.

**Table A-4
Distribution of Total Resources by Land Use**

Incident Type	2010		2011		2012		2013		2014		Average % Distribution (2010-2014)
	Total Resources	Percent Distribution									
Single Family/Duplex/Mobile Home	221	44.6%	204	37.5%	192	46.3%	326	59.6%	208	47.4%	47.2%
Multi-Family Residential	49	9.9%	58	10.7%	55	13.3%	60	11.0%	88	20.0%	12.7%
Commercial/Industrial	110	22.2%	204	37.5%	92	22.2%	115	21.0%	107	24.4%	25.7%
Institutional	24	4.8%	9	1.7%	7	1.7%	9	1.6%	19	4.3%	2.8%
Vacant Land	11	2.2%	36	6.6%	43	10.4%	12	2.2%	7	1.6%	4.5%
Government	80	16.2%	33	6.1%	26	6.3%	25	4.6%	10	2.3%	7.1%
Total	495	100.0%	544	100.0%	415	100.0%	547	100.0%	439	100.0%	100.0%

Source: National Fire Incident Reporting System

Note: Total resources by land use are calculated by adding the staff time and vehicle time for each land use.

Appendix B
Rate Category Classification Tables

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This appendix documents the grouping of NFIRS land uses into seven categories, as shown in Table B-1. In addition, Table B-2 presents the Property Codes for primary land use categories based on the classifications used for the City of Dunnellon Fire Assessment Schedule.

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Table B-1
Rate Category Classification for Fire Incident Property Codes

NFIRS Code	NFIRS Description	Fire Assessment Incident Category
0	Other	n/a
00	Other	n/a
000	Property Use, Other	n/a
100	Assembly, other	Commercial/Industrial
110	Fixed use recreation places, other	Commercial/Industrial
111	Bowling alley	Commercial/Industrial
112	Billiard center, pool hall	Commercial/Industrial
113	Variable use amusement, recreation places	Commercial/Industrial
114	Ice rink: indoor, outdoor	Commercial/Industrial
115	Roller rink: indoor or outdoor	Commercial/Industrial
116	Swimming facility: indoor or outdoor	Commercial/Industrial
120	Amusement center: indoor/outdoor	Commercial/Industrial
121	Ballroom, gymnasium	Commercial/Industrial
122	Convention center, exhibition hall	Commercial/Industrial
123	Stadium, arena	Commercial/Industrial
124	Playground	Government
129	Amusement center, indoor/outdoor	Commercial/Industrial
130	Places of worship, funeral parlors	Institutional
131	Church, mosque, synagogue, temple, chapel	Institutional
134	Funeral parlor	Commercial/Industrial
140	Clubs, other	Commercial/Industrial
141	Athletic/health club	Commercial/Industrial
142	Clubhouse	Commercial/Industrial
143	Yacht club	Commercial/Industrial
144	Casino, gambling clubs	Commercial/Industrial
150	Public or government, other	Government
151	Library	Government
152	Museum	Commercial/Industrial
154	Memorial structure, including monuments & statues	Vacant
155	Courthouse	Government
160	Eating, drinking places	Commercial/Industrial
161	Restaurant or cafeteria	Commercial/Industrial
162	Bar or nightclub	Commercial/Industrial
170	Passenger terminal, other	Commercial/Industrial
171	Airport passenger terminal	Commercial/Industrial
173	Bus station	Commercial/Industrial
174	Rapid transit station	Commercial/Industrial
180	Studio/theater, other	Commercial/Industrial
181	Live performance theater	Commercial/Industrial
182	Auditorium or concert hall	Commercial/Industrial
183	Movie theater	Commercial/Industrial
185	Radio TV Studio	Commercial/Industrial
186	Film/movie production studio	Commercial/Industrial
200	Educational, other	Institutional
210	Schools, non-adult	Institutional
211	Preschool	Commercial/Industrial

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**Table B-1 (continued)
Rate Category Classification for Fire Incident Property Codes**

NFIRS Code	NFIRS Description	Fire Assessment Incident Category
213	Elementary school, including kindergarten	Institutional
215	High school/junior high school/middle school	Institutional
240	None	n/a
241	Adult education center, college classroom	Institutional
250	Day care, other (conversion only)	Institutional
254	Day care, in commercial property	Commercial/Industrial
255	Day care, in residence, licensed	Single Family
256	Day care, in residence, unlicensed	Single Family
300	Health care, detention, & correction, other	Government
311	24-hour care nursing homes, 4 or more persons	Commercial/Industrial
321	Mental retardation/development disability facility	Commercial/Industrial
322	Alcohol or substance abuse recovery center	Commercial/Industrial
323	Asylum, mental institution	Commercial/Industrial
331	Hospital - medical or psychiatric	Commercial/Industrial
332	Hospices	Commercial/Industrial
340	Clinics, Doctors offices, hemodialysis centers	Commercial/Industrial
341	Clinic, clinic-type infirmary	Commercial/Industrial
342	Doctor, dentist or oral surgeons office	Commercial/Industrial
343	Hemodialysis unit	Commercial/Industrial
361	Jail, prison (not juvenile)	Government
363	Reformatory, juvenile detention center	Government
365	Police station	Government
400	Residential, other	Single Family
419	1 or 2 family dwelling	Single Family
429	Multifamily dwellings	Multi-Family
439	Boarding/rooming house, residential hotels	Multi-Family
449	Hotel/motel, commercial	Commercial/Industrial
459	Residential board and care	Commercial/Industrial
460	Dormitory type residence, other	Multi-Family
462	Sorority house, fraternity house	Multi-Family
464	Barracks, dormitory	Multi-Family
500	Mercantile, business, other	Commercial/Industrial
509	None	Commercial/Industrial
511	Convenience store	Commercial/Industrial
519	Food and beverage sales, grocery store	Commercial/Industrial
529	Textile, wearing apparel sales	Commercial/Industrial
539	Household goods, sales, repairs	Commercial/Industrial
549	Specialty shop	Commercial/Industrial
557	Personal service, including barber & beauty shops	Commercial/Industrial
559	Recreational, hobby, home repair sales, pet store	Commercial/Industrial
564	Laundry, dry cleaning	Commercial/Industrial
569	Professional supplies, services	Commercial/Industrial
571	Service station, gas station	Commercial/Industrial
579	Motor vehicle or boat sales, services, repair	Commercial/Industrial
580	General retail, other	Commercial/Industrial
581	Department or discount store	Commercial/Industrial

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**Table B-1 (continued)
Rate Category Classification for Fire Incident Property Codes**

NFIRS Code	NFIRS Description	Fire Assessment Incident Category
592	Bank	Commercial/Industrial
593	Office: veterinary or research	Commercial/Industrial
596	Post office or mailing firms	Commercial/Industrial
599	Business office	Commercial/Industrial
600	Utility, defense, agriculture, mining, other	Industrial/Warehouse
610	Electric generating plant	Industrial/Warehouse
614	Energy production plant, other	Industrial/Warehouse
615	Electric-generating plant	Industrial/Warehouse
629	Laboratory or science laboratory	Commercial/Industrial
631	Defense, military installation	Government
632	None	Industrial/Warehouse
635	Computer center	Commercial/Industrial
639	Communications center	Commercial/Industrial
640	Utility or distribution system, other	Commercial/Industrial
642	Electrical distribution	Commercial/Industrial
644	Gas distribution, pipeline, gas distribution	Commercial/Industrial
645	Flammable liquid distribution, pipeline, flammable	Commercial/Industrial
647	Water utility	Commercial/Industrial
648	Sanitation utility	Commercial/Industrial
655	Crops or orchard	Agricultural
659	Livestock production	Agricultural
669	Forest, timberland, woodland	Agricultural
679	Mine, quarry	Commercial/Industrial
700	Manufacturing, processing	Commercial/Industrial
800	Storage, other	Commercial/Industrial
807	Outside material storage area	Commercial/Industrial
808	Outbuilding or shed	Commercial/Industrial
816	Grain elevator, silo	Commercial/Industrial
819	Livestock, poultry storage	Commercial/Industrial
839	Refrigerated storage	Commercial/Industrial
849	Outside storage tank	Commercial/Industrial
880	Vehicle storage, other	Commercial/Industrial
881	Parking garage (Detached residential garage)	n/a
882	Parking garage, general vehicle	Commercial/Industrial
888	Fire station	Government
891	Warehouse	Commercial/Industrial
898	Dock, marina, pier, wharf	Commercial/Industrial
899	Residential or self storage units	Commercial/Industrial
900	Outside or special property, other	Vacant
919	Dump, sanitary landfill	Commercial/Industrial
921	Bridge, trestle	n/a
922	Tunnel	n/a
926	Outbuilding, protective shelter	Commercial/Industrial
931	Open land or field	Vacant
935	Campsite with utilities	Vacant
936	Vacant lot	Vacant

DRAFT RESULTS – FOR DISCUSSION PURPOSES

**Table B-1 (continued)
Rate Category Classification for Fire Incident Property Codes**

NFIRS Code	NFIRS Description	Fire Assessment Incident Category
937	Beach	n/a
938	Graded and cared-for plots of land	Vacant
940	Water area, other	n/a
941	Open ocean, sea or tidal waters	n/a
946	Lake, river, stream	n/a
951	Railroad right of way	n/a
952	Railroad yard	n/a
960	Street, other	n/a
961	Highway or divided highway	n/a
962	Residential street, road or residential driveway	n/a
963	Street or road in commercial area	n/a
965	Vehicle parking area	n/a
972	Aircraft runway	n/a
973	Aircraft taxi-way	n/a
974	Aircraft loading area	n/a
981	Construction site	Vacant
982	Oil or gas field	Vacant
983	Pipeline, power line or other utility right of way	Vacant
984	Industrial plant yard - area	Commercial/Industrial
1500	Public or Government, other	Institutional
1501	Public or Government, other	Institutional
3230	Asylum, mental institution	Institutional
3231	Asylum, mental institution	Institutional
9600	Street, other	n/a
9601	Street, other	n/a
400M	Residential, other	Single Family
400R	Residential, other	Single Family
400V	Residential, other	Single Family
419M	1 or 2 family dwelling	Single Family
NNN	None	n/a
UUU	Undetermined	n/a

DRAFT RESULTS – FOR DISCUSSION PURPOSES

**Table B-2
Rate Category Classification for Property Codes**

PC Code	PC Description	Fire Assessment Classification
0	Vacant Residential	Vacant
1	Improved Residential	Single Family
2	Improved Mobile Home	Mobile Home
3	Multi-Family 10 or More Units	Multi-Family
4	Condominium Residential	Multi-Family
5	Cooperative	Multi-Family
6	Retirement Home - Taxable	Multi-Family
7	Boarding Home, Migrant Camp, etc	Multi-Family
8	Multi-Family 9 or Less Units	Multi-Family
9	Markets Tangible Only	Other
10	Vacant Commercial	Vacant
11	One Story Store	Commercial/Industrial
12	Commercial Residential Mixed	Commercial/Industrial
13	Department Store	Commercial/Industrial
14	Market	Commercial/Industrial
15	Regional Shopping Center	Commercial/Industrial
16	Community Shopping Center	Commercial/Industrial
17	One Story Office, Non-Professional	Commercial/Industrial
18	Multi-Story Office, Non-Professional	Commercial/Industrial
19	Professional Services	Commercial/Industrial
20	Terminal - Air, Bus, Train, Marine	Commercial/Industrial
21	Restaurant, Cafeteria	Commercial/Industrial
22	Restaurant, Drive-In	Commercial/Industrial
23	Financial Institution	Commercial/Industrial
24	Insurance Office	Commercial/Industrial
25	Service Repair, Non-Vehicle	Commercial/Industrial
26	Gasoline Service Station	Commercial/Industrial
27	Vehicle Sales, Repair	Commercial/Industrial
28	Parking Lot	Vacant
29	Wholesale Outlet	Commercial/Industrial
30	Florist, Greenhouse	Commercial/Industrial
31	Theater, Drive-In Stadium	Commercial/Industrial
32	Theater, Enclosed Stadium	Commercial/Industrial
33	Night Club, Bar, Liquor Service	Commercial/Industrial
34	Bowling Alley, Arena	Commercial/Industrial
35	Tourist, Exhibit	Commercial/Industrial
36	Camps, Campgrounds	Vacant
37	Race Track - Auto, Dog, Horse	Commercial/Industrial
38	Golf Course, Driving Range	Commercial/Industrial
39	Hotel, Motel	Commercial/Industrial
40	Vacant Industrial	Vacant
41	Light Manufacturing	Commercial/Industrial
42	Heavy Manufacturing	Commercial/Industrial
43	Lumberyard, Sawmill	Commercial/Industrial
44	Packing Plant	Commercial/Industrial
45	Cannery, Bottler	Commercial/Industrial

DRAFT RESULTS – FOR DISCUSSION PURPOSES

**Table B-2 (continued)
Rate Category Classification for Property Codes**

PC Code	PC Description	Fire Assessment Classification
46	Food Processing	Commercial/Industrial
47	Mineral Processing	Commercial/Industrial
48	Warehouse, Distribution	Commercial/Industrial
49	Storage, Junkyard	Commercial/Industrial
50	Rural Building Site	Agricultural
51	Cropland Class 1	Agricultural
52	Cropland Class 2	Agricultural
53	Cropland Class 3	Agricultural
54	Timber Class 1	Agricultural
55	Timber Class 2	Agricultural
56	Timber Class 3	Agricultural
57	Timber Class 4	Agricultural
58	Timber Class 5	Agricultural
59	Timber Not Classified	Agricultural
60	Grazing Class 1	Agricultural
61	Grazing Class 2	Agricultural
62	Grazing Class 3	Agricultural
63	Grazing Class 4	Agricultural
64	Grazing Class 5	Agricultural
65	Grazing Class 6	Agricultural
66	Citrus Grove, Orchard	Agricultural
67	Bees, Fish, Rabbits, Etc	Agricultural
68	Dairyfeed Lot	Agricultural
69	Ornamental, Misc Agriculture	Agricultural
70	Vacant Institutional	Vacant
71	Improved - Church	Institutional
72	School - College, Private	Institutional
73	Hospital - Private	Institutional
74	Retirement Home, Exempt	Institutional
75	Charitable Services, Orphanages	Institutional
76	Death Services	Institutional
77	Club, Lodge, Union Hall	Institutional
78	Rest Home	Institutional
79	Cultural	Institutional
80	Horse Farms, Tangible Only	Vacant
81	Military	Government
82	Forest, Park, Recreational	Government
83	School - Public	Institutional
84	College - Public	Institutional
85	Hospital - Public	Commercial/Industrial
86	County Property	Government
87	State Property	Government
88	Federal Property	Government
89	Municipal Property	Government
90	Leasehold Interests	Other
91	Utilities	Vacant

DRAFT RESULTS – FOR DISCUSSION PURPOSES

**Table B-2 (continued)
Rate Category Classification for Property Codes**

PC Code	PC Description	Fire Assessment Classification
92	Mining	Vacant
93	Subsurface Rights	Other
94	Right-of-Way	Other
95	River, Lakes, Submerged	Other
96	Sewage, Waste, Barrow	Other
97	Recreational Classifies Use	Other
98	Centrally Assessed	Other
99	Acreage, Non-Classified Use	Vacant

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FIRE ASSESSMENT STUDY PHASE 2 ANALYSIS SCOPE OF SERVICES

The City of Dunnellon retained Tindale Oliver (TO) to prepare a fire assessment study that would be conducted in two phases: Phase 1 of this study documented potential assessment rates and a comparison of potential rates by land use under an assessment program, millage funding, and the option to relinquish fire rescue services to Marion County.

If the City decides to pursue a fire assessment program, Phase 2 analysis will include the following tasks:

Task 1—Refinement of the Assessment Rates

As part of this task, Tindale Oliver will work with the City to provide alternative rate scenarios as well impact of these scenarios on potential revenues. Examples of such scenarios may include:

- > Alternate budget levels to be recouped through the fire assessment program
- > Tiering of residential land uses
- > Adjustment of the portion of the budget for vacant land
- > Tiering and/or capping of vacant land rates
- > Capping of non-residential land use square footages
- > Potential exemptions

Task 2—Implementation Assistance

This task will include the following activities:

- > ***Preparation of Ordinance and Resolutions:*** Lewis, Longman & Walker (LLW) will serve as the legal subconsultant and prepare draft and final ordinance and resolutions needed for the fire assessment program. Draft documents will be submitted to the City Attorney's office for review with sufficient time for revisions.
- > ***Preparation of the Assessment Roll:*** Tindale Oliver

will obtain the updated property data for Fiscal Year 2017 from Marion County in June of 2016. Using this data, the technical study calculations will be updated and a fire assessment roll will be prepared.

- > Tindale Oliver will prepare the first class notices, which need to be mailed 20 days prior to the adoption hearing.
- > Based on the policy decisions of the City Council, the final roll will be prepared and submitted to the Marion County Tax Collector.

Task 3—Meetings and Presentations

As part of the Phase 2, three meetings are budgeted. These can be used for:

- > Public information sessions
- > City Council workshops and meetings

Tindale Oliver has extensive experience with the public involvement process and community consensus building and buy-in, and has assisted many communities in the successful implementation of their fees.

PROJECT SCHEDULE

The table on the next page presents the proposed schedule for the study. If desired, this schedule will be further adjusted to better accommodate the City's needs.

PROJECT BUDGET

A project budget for the Phase 2 analysis is included on page 3. The budget includes three meetings. If the City desires, Tindale Oliver will be available for additional meetings at a cost of \$1,500 per meeting. It is important to note that this budget does not include costs associated with the printing and mailing of first class notices, since that cost depends on the number of mailings.



City of Dunnellon Fire Assessment Study Phase 2 Analysis Preliminary Schedule

TASK	DATE
Refinement of Technical Analysis	May-June, 2016
Submittal of Draft Technical Report	June 10, 2016
City Council Workshop	Week of June 20, 2016
Submittal of Draft Assessment Ordinance	June 28, 2016
Obtaining Preliminary 2016 Roll from the Property Appraiser's Office	July 6, 2016
Adoption of Fire Assessment Ordinance	July 11, 2016
Submittal of Final Technical Report that Reflects the Revised Roll	July 20, 2016
Submittal of Preliminary Rate Resolution	July 25, 2016
Adoption of Preliminary Rate Resolution	August 1, 2016
Mailing of First Class Notices (2)	August 4, 2016
Submittal of Final Rate Resolution	August 22, 2016
Adoption Hearing (3)	Week of August 29, 2016
Submittal of Final FY 2016 Assessment Roll	September 14, 2016

City of Dunnellon Fire Assessment Study Phase 2 Analysis Preliminary Project Budget

SUB TASK #	SUBTASK DESCRIPTION	Project Director \$181.60	Project Manager \$149.98	Legal Attorney \$285.00	Senior Eng/Pln \$132.48	Planner/Engineer \$79.69	Admin/ Clerical \$76.08	TOTAL TASK HOURS	BURDENED COST/ TASK
TASK 1	REFINEMENT OF THE STUDY	5.0	15.0	0.0	22.0	7.0	1.0	50.0	\$6,706.17
1.1	Preparation of Alternative Scenarios	2.0	6.0		8.0	3.0	1.0	20.0	\$2,638.07
1.2	Update of the Study Variables	2.0	5.0		10.0	2.0		19.0	\$2,597.28
1.3	Documentation of the Study	1.0	4.0		4.0	2.0		11.0	\$1,470.82
TASK 2	IMPLEMENTATION ASSISTANCE	4.0	9.0	18.0	23.0	6.0	1.0	61.0	\$10,807.48
2.1	Development of the Ordinance and Resolutions	2.0	4.0	18.0			1.0	25.0	\$6,169.20
2.2	Development of the Fire Assessment Roll	1.0	3.0		15.0	6.0		25.0	\$3,096.88
2.3	Preparation of First Class Notices	1.0	2.0		8.0			11.0	\$1,541.40
2.4	Mailing of First Class Notices	Reflects the expense associated with printing and mailing notices - typically \$1.00 to \$1.50 per mailing							
TASK 3	MEETINGS & PRESENTATIONS	12.0	12.0	0.0	3.0	3.0	1.0	31.0	\$4,691.55
3.1	Public/City Council Workshop/Meetings (3)	12.0	12.0		3.0	3.0	1.0	31.0	\$4,691.55
	TOTAL PROJECT BUDGET	21.0	36.0	18.0	48.0	16.0	3.0	142	\$22,205.20

