

**Board of County Commissioners  
Leon County, Florida**



**FY 2024  
Budget Workshop**

**Tuesday  
April 25, 2023  
9:00 a.m.**

Leon County Courthouse  
Commission Chambers, 5th Floor  
301 S. Monroe Street Tallahassee, Florida 32301

The media and the public can access the meeting in real time on Comcast channel 16, the Leon County Florida channel on Roku, the County's [Facebook](#) page, [YouTube](#) channel, [Twitter](#), and County [web site](#).

**Board of County Commissioners  
Leon County, Florida**

**Fiscal Year 2024 Budget Workshop**

**April 25, 2023**

**9:00 a.m.**

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<b>Item Number</b>	<b>Workshop Item Title</b>
<b>1</b>	Fiscal Year 2024 Preliminary Budget Overview
<b>2</b>	Joint City/County 2023 Fire Rescue Services Fees
<b>3</b>	Consideration of the Proposed Emergency Medical Services MSTU Increase
<b>4</b>	Proposed Revisions to Policy No. 17-2, “Street Lighting Eligibility Criteria and Implementation” to Provide Street Lights at School Bus Stop Locations
<b>5</b>	Overview of Legislative Changes Concerning Publication of Advertisements and Legal Notices

**Leon County  
Board of County Commissioners**

**Notes for Workshop  
Agenda Item #1**

# Leon County Board of County Commissioners

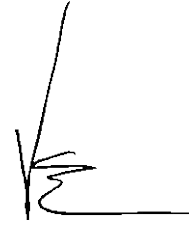
## Budget Workshop Item #1

April 25, 2023

**To:** Honorable Chairman and Members of the Board

**From:** Vincent S. Long, County Administrator

**Title:** Fiscal Year 2024 Preliminary Budget Overview



<b>Review and Approval:</b>	Vincent S. Long, County Administrator
<b>Department/ Division Review:</b>	Alan Rosenzweig, Deputy County Administrator Ken Morris, Assistant County Administrator Wanda Hunter, Assistant County Administrator
<b>Lead Staff/ Project Team:</b>	Scott Ross, Director, Office of Financial Stewardship Roshaunda Bradley, Budget Manager

### **Statement of Issue:**

This budget discussion item seeks Board guidance on the development of the FY 2024 Preliminary Budget.

### **Fiscal Impact:**

This item has a fiscal impact based on Board direction in developing the FY 2024 Preliminary Budget.

### **Staff Recommendation:**

- Option #1: Accept the report on the Preliminary Budget overview.
- Option #2: Approve increasing the Primary Health Care Provider patient visit reimbursement rate from \$125 to \$175 in FY 2024 and to \$225 in FY 2025.
- Option #3: Approve the \$500,021 of Federal Local Assistance and Tribal Consistency Funding to be considered as part of the May 23, 2023 Homelessness Workshop or the Board may wish to provide any additional direction on the use of these funds.

In addition, this item seeks any other direction the Board wishes to provide in the development of the FY 2024 Preliminary Budget.

## **Report and Discussion**

### **Executive Summary:**

The development of the FY 2024 budget reflects a continued focus on annual budget constraint and the continuous year-round internal efforts that drive innovation, produce efficiencies, and realize cost savings and cost avoidances. Leon County recognizes that budgeting is not only a year-round process, but an ongoing multi-year process that reflects the Board's longer term fiscal policies and priorities for the community and requires necessary decision making through the annual budget adoption process. Each budget is interdependent on prior actions and influences the future financial condition of the County as well as the options available to address conditions in future budgets.

Through this multi-year process, the County has made strategic investments to address our most pressing issues of the day, as well as addressing our long-term goals for the community. We have done so by keeping taxes and fees as low as possible to keep the community affordable, while demonstrating agility and stability to handle numerous significant unforeseen issues, including natural disasters, the great recession, and the pandemic.

As the County develops the FY 2024 budget, the Florida legislature is considering significant changes to the Florida Retirement System (FRS) which could prove even more fiscally challenging than previous natural disasters, the pandemic, etc. As currently written, the impact of proposed FRS changes would exceed all of the County's new property tax collections for FY 2024. Unlike during natural disasters or the pandemic, where the Federal government provided significant financial support, the state will not be providing additional funds to the County to offset the impacts of FRS changes. In addition, the impacts of the FRS legislation will be recurring and therefore require a recurring source of revenue to pay for the changes. Based on preliminary estimates discussed later in this item, the County projects modest property tax growth for next year which at the current millage rate will not provide the resources necessary to support the impacts. Finally, even if the fiscal impact becomes less through the legislative process, it is still anticipated to have a significant fiscal impact. This then results in two scenarios for the development of the FY 2024 Budget.

First, as presented throughout this item and several other budget discussion items, even without significant changes to FRS, the budget will still be constrained by modest property tax and general revenue growth, continued inflation, and an extremely competitive job market. The following budget recommendations are based on the best-case scenario that has no significant changes to FRS. These provide several of the recommended building blocks to ensure a balanced budget with continued investment in the highest needs of the community while constraining increases in costs to the smallest levels necessary to ensure stable funding for our most critical public safety services:

- Implementing the planned increase to the Emergency Medical Service MSTU (presented in a separate budget discussion item);
- Implementing the planned rate increases for the fire service fee (presented in a separate budget discussion item);

- Support for the Sheriff's budget, including funding for the pay plan for sworn officers to achieve and maintain recruitment and retention efforts;
- Increased funding for the Supervisor of Elections operation to address the additional Presidential Preference Primary;
- Continued funding for primary healthcare and community health service partners;
- No new general revenue supported positions; and
- Capital funding to maintain strategic, long term investments in infrastructure.

Alternatively, pending the outcome of the legislative session, the impacts of the FRS legislation may require drastically increased funding from the County. While the final FRS legislation could result in impacts exceeding our projected property tax growth for next fiscal year, even a smaller impact could be significant. For this scenario, significant increases to the County's annual cost of FRS would occur based on final changes to the FRS legislation. Typically, increases in property taxes are used to fund the normal inflationary increases to the budget, the Constitutional Officers, Leon County Government personnel costs and other costs necessary to provide community services. Depending on the final changes approved, the cost increase under this scenario would need to be offset by substantial budget reductions, such as:

- Significant position reductions
- Eliminating entire programs that are not mandated by state law or local ordinance
- Eliminating outside agency grant funding
- Eliminating new and existing capital projects and reducing the overall capital program to fund only critical infrastructure repair

Without substantial budget reductions, a countywide millage rate increase would be necessary to offset the cost of the proposed legislation.

Subsequent to the end of the legislative session, the June budget workshop will provide recommendations and strategies to balance the FY 2024 budget. Depending upon which of the two scenarios occurs, either no further changes to FRS or legislative changes that result in a significant cost increase to the County, a preliminary budget will be developed providing options for the Board to consider at the June budget workshop.

While the final impacts of the FRS legislation are not known at this time, the budget is also being developed in a national and state economy still experiencing heightened inflation as discussed in the next section.

#### *Economy Snapshot*

While the economy rebounded quicker than expected from the impacts of COVID, pent up consumer demand led to increased spending before the global supply chain returned to normal output. The rapid increase in consumer spending, along with an expanding economy, an increased demand for petroleum products, the large amount of federal funds infused into the economy, and the Russian invasion of Ukraine caused a surge in inflation.

From May 2022 when inflation was 0.03%, the annual rate of inflation increased to its peak of 9.1% in June 2022. Over the past year, inflation has declined to the current 5.0% posted for March 2023. The historic position of the Federal Reserve (Fed) is to maintain inflation at a rate of 2%.

While many economists and the Fed initially anticipated a transitory short-term increase in inflation as supply chains caught up with demand, and as initial consumer demand ebbed to normal levels, the notion of a transitory spike in inflation proved to be incorrect. Based on the persistent inflation, the Fed started to increase interest rates in March 2022 to slow down the economy by making it more expensive to borrow money.

Prior to COVID, the Fed had slowly reduced rates to 1.5%, but when the impacts of COVID initiated a sudden recession, the Fed reduced rates to nearly zero. During these historically low interest rate periods, Leon County took advantage of, and refinanced higher interest rate debt, financed energy saving improvements (ESCO), purchased public safety radios, and the property that houses the Supervisor of Elections Voting Operations Center.

In response to the faster than normal 2.0% growth in inflation, the Fed started aggressively increasing interest rates by quarter and half percent intervals in March and April 2022. The Fed's interest rate strategy attempts to reduce inflation by increasing borrowing costs to reduce consumer spending while not triggering a recession.

These initial rate increases did little to slow the economy and the Fed has increased the rate nine times since March 2022 by quarter and half percent intervals. Recently at the March 2023 Fed meeting, the rate was pushed another quarter percent to the current rate of 4.83%. While the number of future rate increases is unknown, it is anticipated the Federal Reserve will increase rates one to two times during the year, with a target of 5.1%.

While inflation places an enormous burden on consumers purchasing everyday goods and services, the impacts are just as, or even more significant for local government. Inflationary pressures have caused other increases throughout the budget that will continue into FY 2024. While fuel costs have somewhat stabilized, other increases are reflected in the cost of supporting utilities; the repair and maintenance of the County fleet (including ambulances and public works equipment); contractual obligations ranging from custodial services to technology support; the repair and maintenance of County facilities; and capital construction bids.

In addition to inflationary pressures, the County is also addressing the impacts of an extremely competitive job market where local unemployment is 2.5%. To remain an employer of choice, the FY 2023 Budget included funding to implement the findings of a compensation study. Furthermore, to assist existing employees with the impacts of inflation the Board provided 5% across the Board pay increases for all employees.

Taking into consideration the current state of the economy, the following analysis section provides a detailed overview of the preliminary budget.

**Analysis:**

**Initial FY 2024 Policy Guidance**

To ensure the budget is developed in a strategic and transparent manner, the Board annually adopts a Budget Calendar. The FY 2024 budget calendar was approved at the January 24, 2023 meeting. In addition, the Board approved the FY 2022-FY 2026 Strategic Plan at the Board's January 23, 2023 retreat. Throughout the item, funding options to address adopted strategic initiatives related to primary health care, homelessness, affordable housing and supporting the Sheriff are presented.

Subsequently at the March 21, 2023 meeting, the Board provided initial policy direction by establishing maximum discretionary funding levels for outside agencies, including:

- Maintaining funding for the next two-year CHSP funding cycle at \$1.445 million per year
- Maintaining \$100,000 for the fifth and final year of the five-year commitment to fund the capital construction debt of the Kearney Center
- Providing \$62,000 in Special Event Funding, which includes the Frenchtown Rising Events
- Providing an additional \$16,250 to the United Partners for Human Services to support the Boards Quality of Life (Q4) and Strategic Initiative:

*Work with the City of Tallahassee, Big Bend Continuum of Care, Kearney Center, and other local stakeholders to enhance engagement and awareness of resources available for individuals and families experiencing homelessness in order to support safe, stable, and inclusive neighborhoods (2023-11)*

While the April 25, 2023 workshop is conducted early in the budget process, revenue projections and expenditure details are still being developed and reviewed by staff. Several additional key budget elements will occur prior to the Board's June 20, 2023 Budget Workshop:

- May 1, 2023, Constitutional Officer budget submissions
- May 4, 2023, State of Florida Legislative Session ends
- May 23, 2023 Workshop on Addressing Homelessness
- June 1, 2023, Property Appraiser provides preliminary property values
- County departments have submitted initial operating and capital budget requests to the Office of Management (OMB) for review. OMB is analyzing preliminary budget requests for final review by the County Administrator prior to presentation at the June workshop.

In addition, the Board may wish to provide additional policy guidance at this workshop for use in preparing the FY 2024 Preliminary Budget to be presented at the June 20, 2023 budget workshop.

### Cost Avoidance and Savings

The County systematically and strategically identifies efficiencies and cost savings year-round. This deliberate approach occurs throughout the year, not only during the formal budget process presented this time each year in the preliminary budget overview. Through specific and targeted practices, such as LEADs listening sessions, and the Employee Innovation Awards Program - I2 (squared), employees are continuously empowered to seek and implement cost saving measures throughout the organization. During FY 2023 County employees have created over \$500,000 in cost savings or avoidances as detailed below.

Current savings and cost avoidances include:

**Fire Sprinkler System at the Sheriff Evidence Facility (\$250,000)** - During the final on-site design of the fire sprinkler system at the Tharpe Street Evidence and Storage building, it was determined that due to the use of plastic storage containers for evidence, the sprinkler system would need an increase in capacity requiring the installation of a pump and generator. In consultation with the Sheriff's Office, it was determined that metal containers could be used for storage rather than plastic. This change will result in a least \$250,000 in cost avoidance.

**Stormwater Mapping (\$152,800)** – Previous mapping of the County stormwater inventory completed by a consultant in FY 2018 cost \$203,000. GIS staff, coordinating with Public Works Engineering, performed the latest inventory mapping update in-house by compiling source data from other agencies saving \$152,800 in consulting fees.

**Transfer Station Lighting Improvements (\$93,000)** – Subsequent to receiving bids of \$100,000 to replace the lighting in the tipping floor area of the transfer station, Facilities Management evaluated having employees perform the work in-house outside of their normal hours, and outside of the normal operating hours. The evaluation led to performing the work in house for \$7,000 saving \$93,000.

**Virtual Employee Benefit Fair (\$5,800)** – During COVID-19, Leon County paid a private vendor to implement a Virtual Employee Benefit Fair. This allowed employees to review their benefit options online at their convenience. Due to the success of this program, it was continued post COVID, but has been implemented by the Office of Information Technology providing \$5,800 in vendor fees savings.

**FEMA Community Flood Rating Rebate (\$117,000)** – While not a direct budgetary savings, Development Service and Environmental Management led the effort to update FEMA with information that changed Leon County's FEMA flood rating for properties in the County that have flood insurance. Through their efforts, the flood rating change provided 25% rebates to homeowners for their flood insurance premiums. This project resulted in savings to homeowners in an economic environment where premiums are rising.

In summary, including the above, since 2013 the County has saved or avoided costs totaling more than \$63.6 million (Attachment #1). These cost saving efforts occur prior to any new taxes, fees, positions, equipment, etc. being brought to the Board for consideration.

Preliminary FY 2024 Budget

While the economy continues to rebound from the pandemic, County revenues are increasing; however, had the financial impacts of COVID not occurred, County revenues would be higher for FY 2024 had revenue growth not been interrupted. This interrupted growth in revenues has been partially offset by ARPA funding. However, even with revenue growth and the use of ARPA funding, revenues are not keeping up with the high inflation the economy is experiencing. The annual CPI in March 2023 was 5.0%. While this is a decline from prior months, it is still three times the Federal Reserve target rate. In comparison, in February 2020, just months prior to the initial impacts of the COVID economy inflation was only 1.8%.

Normal growth in expenses includes Leon County Government and Constitutional Officers personnel cost (e.g., retirement, health insurance), contractual increases, mandatory state payments, and materials and supplies. To offset these increases, the County relies on average revenue growth in property, state shared and local sales taxes, fees, and gas taxes. This revenue growth allows Leon County government to avoid increasing millage rates or fees to maintain adequate service levels. When revenue growth does not align with expense growth, this strategy is not attainable. Federal assistance provided through ARPA was used to offset the revenue loss associated with COVID in balancing the FY 2021, FY 2022, and FY 2023 budgets. This federal assistance helped mitigate the need to consider other options including the use of fund balance, increasing millage rates or fees, or reducing/eliminating programs and services.

In addition, anticipated expenditure increases related to mandatory state payments (e.g., Medicaid, the Department of Juvenile Justice), interlocal agreements and contracts are included in this analysis. Furthermore, given the highly volatile nature of the post-pandemic economic recovery and continued future economic uncertainty, the analysis presumes a conservative revenue forecast that contemplates a continuing economic recovery through FY 2024. This conservative forecast is in keeping with the Fed signaling additional interest rate increases through the end of FY 2024 while attempting to avoid a recession.

As previously stated in the Executive Summary, this workshop is a policy workshop that is being held very early in the budget process. Leon County Government Departments submitted their operating and capital budget requests in March which are currently being reviewed by the Office of Management and Budget. Constitutional budget requests, including the Sheriff's Office, are not due until May 1. Also, the Property Appraiser does not provide preliminary property values until the statutorily required June 1 date. The largest unknown regarding the development of the FY 2024 budget is the impacts of changes to the FRS system the state legislature is considering during the current session. If these changes are enacted, as described in the next section, the fiscal impact to Leon County would be severe.

### *Proposed FRS Changes*

FRS is the fourth largest state retirement system in the country and is the primary retirement plan for employees of state and county government agencies, school boards, state colleges, and state universities. It also serves as the retirement plan for the employees of 180 cities and 153 special districts in Florida. Leon County Government provides the funding for its employees and the Constitutional Officer's employees. Employees are also required to provide 3% of their salary to assist in funding the pension plan.

Historically, the FRS contribution rates are adjusted annually to ensure the retirement system is properly funded, and to account for the actuarial liability of the pension system. These rates are introduced as part of the Governor's proposed budget, which may be slightly modified (if modified at all) by the legislature during session.

For the current legislative session, legislation was introduced to increase the normal provisions of retirement by adding a retirement contribution factor that provides a 3% COLA to current retirees. The House recently voted unanimously to pass a bill that would substantially expand retirement benefits for FRS participants beyond this initial legislation. These changes include:

- Increasing employer-funded allocations to FRS Investment Plan accounts by 1%;
- Restoring the pre-2011 cost-of-living adjustment (COLA) for eligible FRS Pension Plan members to 3%;
- Restoring the pre-2011 normal retirement age and years of service for Special Risk Class members;
- Revising DROP by removing age restrictive entry windows to enter the program;
- Increasing the amount of time all eligible members can participate in DROP from 60 to 96 months; and
- Increasing the amount of interest applied to a member's accrued DROP benefit from 1.3% to 4%.

These changes would substantially increase required employer contributions to the FRS. According to a legislative staff analysis of the current bill, the estimated fiscal impact for all FRS employers statewide would be \$3.1 billion for FY 2023-24, including approximately \$1.2 billion for county governments. Leon County's Office of Management and Budget has projected that the fiscal impact of the bill to Leon County is \$14.3 million which is greater than the total projected growth in property tax collections. Currently, the preliminary budget includes \$3.0 million for the normal anticipated growth in FRS. Therefore, if the proposed legislation is approved, there would be a \$11.3 million increase in cost to the County.

In response to the proposed FRS legislation, the County Administrator has met with key legislators, including the bill sponsors and appropriations committee staff to stress the significant fiscal impacts the proposed FRS rates would have on Leon County (Attachment #2). The County Administrator also convened a meeting of all County Administrators to discuss legislative and budget strategies. As the proposed legislation may change prior to the end of session, the range of the fiscal impacts to the County budget is undeterminable at this time. Based on the final actions

of the state legislature, final recommendations regarding how to address the impacts of changes to the retirement system will be presented at the June 20, 2023 Budget Workshop. However, for perspective the projected entire FY 2024 Leon County Library System budget is \$6.9 million. If funding for the libraries were eliminated, the budget would still have to be reduced an additional \$4.2 million just to fund the increased retirement costs. Therefore, to address the fiscal impact, significant budget reductions would be required, such as:

- Significant position reductions
- Eliminating entire programs that are not mandated by state law or local ordinance
- Eliminating outside agency grant funding
- Eliminating new capital projects and reducing the overall capital program to fund only critical infrastructure repair

Alternatively, to fund the additional \$11.3 million in FRS contributions a combination of budget reductions and a millage rate could be considered. Again, just to demonstrate the magnitude of this legislation as written at the time of this writing, a millage rate increase of 0.52 mills would be required to offset the entire increase. Conversely, property values would have to increase an unprecedented 14.4% to address the fiscal impacts of this legislation.

Notwithstanding the above FRS discussion, the following section presents the early estimates of the anticipated growth in general revenue related revenues and expenses. The entire budget including funds that receive no general revenue support (e.g., Tourism and Building Inspection Services) will be provided at the June 20, 2023 Budget Workshop.

#### *Estimated Revenue Expenditure Changes to the County Budget*

While the FRS rates are still being developed, several other policy issues are being presented for Board consideration. Separate Budget Workshop items are included regarding implementing long planned increases to fires service fees and the EMS MSTU to cover the increased cost of providing these essential public safety services. Based on Board direction at this workshop, a complete presentation of a preliminarily balanced budget will be presented for Board consideration at the June 20, 2023 workshop.

Table #1 details the preliminary forecasts for major general revenue and expenditure changes from FY 2023 to FY 2024.

**Table #1: Preliminary FY 2024 Estimated Change in Revenues and Expenditures Over FY 2023 <sup>(1)</sup>**

<b>Preliminary Estimated Changes in Revenues</b>	<b>Change from Fiscal Year 2023 (In Millions)</b>
Property Taxes with current millage rate (8.3144)	\$12.66
American Recovery Program Act Remaining Revenue Loss Funding	\$2.15
1/2 Cent Sales, State Revenue Sharing, CST, PST	\$1.73
Gas Taxes	\$0.25
DSEM Fees	(\$0.15)
Other General Revenue	(\$0.46)
DSEM Fund Balance	(\$0.50)
Transportation Fund Balance	(\$1.25)
General Revenue Fund Balance	(\$1.23)
<b>Total Change in Revenue</b>	<b>\$13.20</b>
<b>Preliminary Estimated Changes in Expenditures*</b>	
Sheriff Personnel and Operating Expenses	\$7.80
County Government Personnel Costs	\$2.70
Supervisor of Elections 2024 Presidential Preference Election Cycle	\$2.45
Contractual Obligations, Repairs and Maintenance, Utilities	\$1.46
Other Constitutional Offices	\$0.96
Capital Transfer	\$0.74
Solid Waste General Revenue Transfer	\$0.51
Medicaid	\$0.45
City Interlocal Agreements (Animal Control, Planning, CDA, etc.)	\$0.31
Fuel and Vehicle Repair	\$0.22
Lake Munson Ariel Photography and Water Sampling	\$0.10
Baker/Marchman Act	\$0.064
Discretionary Funding	\$0.040
Community Redevelopment Agency (CRA) Payment	(\$1.00)
Eliminate Transfer to Fire Services Fund <sup>(1)</sup>	(\$1.60)
Eliminate Transfer to Emergency Medical Services Fund <sup>(1)</sup>	(\$2.00)
<b>Total Change in Expenses</b>	<b>\$13.20</b>
<b>Budget Shortfall</b>	<b>\$0</b>

*(1) Separate Budget Discussion Item*

**As presented, associated personnel costs for Leon County Government, the Sheriff and the other Constitutional Officers do not include the possible fiscal impact related to changes in the FRS system. These changes would add \$11.0 – \$12 million in expenses to the budget.**

The following is an analysis of the revenues and expenditures outlined in Table #1.

### ***Preliminary Estimated Changes in Revenues***

As reflected in Table #1, the following section provides a summary of the projected changes to revenues between the current fiscal year (FY 2023) and next fiscal year (FY 2024).

*Property Taxes (\$12.66 million):* Property tax collections are calculated based on the countywide millage rate times the taxable value of all property in Leon County. Taxable values are established by the Property Appraiser and the millage rate is established by the Board. Last year property values increased 9.33%. For budget planning purposes, values are anticipated to increase by an estimated 7.5%. Using this projected percentage increase, maintaining the current 8.3144 millage rate would result in an additional \$12.66 million in property tax revenues. In FY 2024, homesteaded property values can increase no more than 3% based on this year's Save-Our-Homes cap.

The Save-Our-Homes cap limits the increase of homestead residential property values to the change in CPI or 3%, whichever is lower. In January 2023, the CPI change resulted in homesteaded property reaching the 3% cap for valuations used for the FY 2024 budget. Without the cap, the annual CPI adjustment would be 6.5%. Moreover, a recovering economy for commercial property and new building construction will contribute to the increase of taxable values.

As statutorily required, the Property Appraiser's Office provides preliminary property values on June 1. These values will be used for the June Budget Workshop. As required by Florida Statutes, final property values will be provided on July 1.

During the "Great Recession" with declining property values, the Board maintained the millage rate resulting in less property tax collections and correspondingly passed on property tax savings to the community. Coming out of the "Great Recession," and as part of the County's deliberate and reasoned multi-year fiscal planning, the budget continued to maintain a constant millage rate to mitigate inflationary pressures and to support necessary and critical cost increases. This same approach is recommended for the FY 2024 budget.

For five years following the Great Recession Leon County did not experience any property valuation growth until a modest 3.0% increase occurred in FY 2015 and again in FY 2016. From there values gradually increased to 6.8% in FY 2021. These increased values provided funds that generally covered the inflationary costs of basic government service levels and allowed for increasing the recurring revenue to the capital program. Due to the impacts of COVID, the property tax growth rate moderated to 4.05% in FY 2022. Subsequently, after the COVID pandemic and the strong construction economy in FY 2023 values increase by 9.33%. This increase assisted the County in funding the inflationary costs related to personnel costs and operating expenses to maintain service levels and fund Board initiatives related to the library, homelessness, and food insecurity.

American Rescue Plan Act Revenue Replacement (ARPA) (\$2.15 million): Consistent with the previously Board approved ARPA expenditure plan, the FY 2024 budget includes the remaining \$2.15 million in revenue loss funds. As a result of COVID, the County experienced revenue declines and has not fully recovered to what would have been normal revenue collection amounts. These federal revenues are intended to partially offset this revenue loss.

State Shared Revenue, ½ cent Sales Tax, Communications Services Tax (CST) and Public Service Tax (PST) (\$ 1.73 million): County governments receive certain revenues from the State of Florida, which are largely based on sales tax collections. Sales tax related revenues have rebounded over the past three years from the precipitous decline in FY 2020. Nominal growth is projected for the CST and PST.

Gas Taxes (\$250,000): Gasoline taxes are estimated to increase by 2.0%. Last year as the economy rebounded from the effects of COVID, and travel dramatically increased, gas tax collections increased over 8%. Prior to COVID, gas taxes, which are consumption based (taxes are per gallon, not a percentage of cost), were only slightly increasing year-over-year due to better vehicle fuel efficiencies and an increase in the use of hybrid and electric vehicles. While gas taxes are still slightly below pre-COVID collections they are only expected to increase moderately in FY 2024 and in outyears. This is largely due to the continued fluctuations in the market for crude oil and the shift in consumers driving more fuel-efficient or electric cars and trucks. While owners of electric vehicles use the road network, they do not pay gas taxes which support the maintenance of the local transportation system.

DSEM Fees (-\$150,000): As part of the post-COVID economic recovery, development services and environmental permitting fees increased as development permitting increased including the new Amazon facility. The pace of the permitting activity has returned to more sustained levels, resulting in the collection of fewer development and permitting fees.

Other General Revenues (\$-460,000): These decreases are primarily related to a decline in court fees, warrants, prisoner room and board, surplus auction sales and camping fees. These revenues can fluctuate based on differing levels of activity year over year.

DSEM Fund Balance (-\$500,000): Last year \$500,000 in special revenue fund balance was used to support DSEM. At this point in the budget process no fund balance is contemplated to support the DSEM land development permitting services. A final analysis of DSEM and other special revenue fund balances will be determined prior to the June 20 Budget Workshop.

General Revenue Fund Balance (-\$1.23 million): During last year's budget process, in support of providing employees 5% pay increases, \$1.23 million in general fund reserves were used to balance the FY 2024 budget. To continue to adequately maintain general fund reserves the use of fund balance is not currently being considered to balance the FY 2024 budget.

Transportation Fund Balance: (-\$1.25 million): To support the transportation program, \$1.25 million in transportation reserves were appropriated last fiscal year. Transportation Fund Balance use for next fiscal year is discussed later in this item as part of a proposed "fund balance sweep".

### ***Preliminary Estimated Changes in Expenses***

The following sections provide a summary of the proposed increases and decreases in expenditures.

*Sheriff Personnel and Operating Expenses (\$7.81 million):* As stated previously, in accordance with Florida Statutes, most of the Constitutional Officers submit their budget requests on May 1<sup>st</sup>. Historically, the Sheriff's budget has trended consistent with property tax growth. The estimated growth in the Sheriff's budget is currently slightly higher than the projected property tax growth rate. This increase is largely associated with personnel costs increases for sworn officers and other contractual service obligations. These additional personnel costs do not reflect the pending FRS legislation under consideration but reflect the normal retirement cost increase. Support for the Sheriff's budget aligns with the Governance Strategic Initiative added to the Strategic Plan at the January 2023 Board Retreat.

*(G4) Support the Sheriff in implementing a step pay plan for sworn officers to achieve and maintain recruitment and retention efforts. (2023-24)*

County staff continues to work closely with the Sheriff's Office on developing their budget request and scenarios to mitigate overall cost increases.

*Leon County Employee General Revenue Related Expenses (\$2.70 million):* The largest operating expense in the Leon County Government budget is associated with personnel costs. These costs include performance raises, health insurance, retirement contributions and workers' compensation. The budget contemplates continuing to support the County's pay for performance structure with an increase of 0 - 5%, with an average of 3% based on performance. Also included are health care costs estimated to increase 6.0%. These additional personnel costs do not reflect the current FRS legislation under consideration but reflect the costs of the normal increase to retirement.

Alternatively, providing a 5% increase to all County and Constitutional employees would cost an additional \$1.10 million in general revenue.

*Supervisor of Elections (SOE) Presidential Preference Election Cycle (\$2.45 million):* A presidential preference primary will be held during FY 2024. During these election cycles, the SOE's budget increases to fund the additional costs of the primary. The anticipated increase in the election budget for FY 2024 is \$2.45 million or 51%. Besides the additional voting days for the presidential preference primary, these cost increase include the impacts of implementing the continuing changes in election laws, and the salary cost of hiring additional temporary personnel to conduct the elections. This is an initial estimate of the increase; the SOE budget is due to the County by May 1<sup>st</sup>.

Contractual Obligations, Repairs and Maintenance, Utilities (\$1.46 million): All projected increases are associated with contractual and inflationary adjustments and include:

- County software maintenance licensing agreements including: the NEOGOV Human Resources management system, Microsoft Office 365 licensing, Banner Document Management, and network security applications
- Annual contractual and operating supplies increase in Facilities Management for security, custodial, HVAC, and building and grounds maintenance services
- Utilities costs are projected to increase due to CPI adjustments for City of Tallahassee rates
- Contractual costs for Public Works related to right-a-way, stormwater, and road maintenance
- Workers' compensation and insurance premiums
- Parks and Recreation mowing, trail, playground, and ballfield maintenance
- Other miscellaneous increases related to rentals and leases, operating supplies

Other Constitutional Officers (\$960,000): Constitutional budget requests are not due until May 1<sup>st</sup>. Based on past trends the Clerk of Court's budget is estimated to increase by \$140,000 and the Property Appraiser by \$300,000. Funding for the Tax Collector is paid through commissions. These commissions are a percentage of property tax collected on behalf of the County and the statutory requirements that the County pay commissions for the Leon County Schools Board's property tax collections. Based on the estimated 7.5% increase in property values, the Tax Collector's commissions are projected to increase by \$520,000.

General Revenue Transfer to Capital (\$740,000): This amount reflects a projected increase to the general revenue transfer to the capital program. This increase continues to restore previous year reductions in general revenue for capital projects and addresses the inflationary increases in construction costs.

Solid Waste General Revenue Transfer (\$510,000): This increased transfer to solid waste is directly related to the cost associated with the projected cost increase for the waste hauling contract and the annual inflationary costs of operating the transfer station. A detailed analysis of these costs is discussed in the "Other Budget Issues" section of this item.

Medicaid (\$450,000): The County is required by Florida Statute 409.915 to contribute to the State's share of matching funds for the Medicaid Program. Initial estimates released by the Social Services Revenue Estimating Conference indicate that the overall state share of Medicaid will increase Leon County's cost by an estimated \$450,000. The state is required to provide counties final cost share amounts by June 1, 2023.

Interlocal Agreements (\$310,000): Funding includes annual budgetary increases related to County interlocal agreements with the City of Tallahassee for the Consolidated Dispatch Agency, Parks and Recreation, Planning and Animal Control.

*Fuel and Vehicle Repair Costs (\$220,000):* This cost increase is associated with the inflationary growth in the cost of parts to maintain the County fleet and a modest increase in the overall projected cost of fuel.

*Lake Munson Additional Aerial Photography and Water Sampling (\$100,000):* As approved by the Board at the March 21, 2023 meeting, this funding is associated with the extension of the Lake Munson drawdown through Spring 2024. Funding is included for monthly chemistry testing at the northern entry point and southern outflow of the Lake during the drawdown, in addition to quarterly aerial surveys of sediment compression.

*Baker Marchman Act (\$63,800):* Leon County allocates annual funding to Apalachee Center, Inc. for the provision of mental health care services for residents who meet the Baker Act and Marchman Act criteria. The Florida Mental Health Act, also known as the Baker Act under Chapter 394, Florida Statutes, provides an individual with emergency services and temporary detention for mental health evaluation and treatment, either on a voluntary or involuntary basis. The Department of Children and Families has identified Apalachee as the District's public receiving facility for individuals experiencing a mental health and/or substance abuse crisis. The District includes the counties of Leon, Gadsden, Wakulla, Jefferson, Franklin, Liberty, Madison and Taylor. Annually, each county contracts with Apalachee to pay the state-mandated costs. Due to increased costs to operate the Baker/Marchman Act program and statutory requirements for local governments to pay for a portion of these costs, Apalachee has requested increased funding from all the district counties. Leon County will provide an additional \$191,442 in funding phased in over a three-year period with an increase of \$63,800 per year.

*Outside Agency Funding (\$41,000):* As approved by the Board at the March 21, 2023 meeting where the FY 2024 discretionary funding levels were established, this expense includes an increase for Frenchtown Rising Special Events and the United Partners for Human Service.

*Community Redevelopment Agency (CRA) (-\$1.0 million):* Pursuant to an interlocal agreement with the City of Tallahassee, the County's funding for the Downtown CRA is reduced starting next fiscal year. A portion of this cost savings is offset by the normal projected increases in the Frenchtown CRA payment. The County will receive the final values from the Property Appraiser on July 1<sup>st</sup> which may adjust next year's required payment.

*Eliminate Transfer of General Revenue to Support Fire Services (-\$1.6 million):* As presented in a separate budget discussion item, the County and City conducted a planned Fire Rescue Services Study to determine new rates to adequately fund fire services in the community. Implementing the new fire services assessment rates eliminates the need for a general revenue subsidy to pay for fire services in the unincorporated area.

*Eliminate the General Revenue Transfer to EMS (\$2.0 million):* As presented in a separate budget discussion item on the long-term funding of the EMS program, the general revenue transfer to the EMS program would be offset by an increase in the EMS MSTU.

While the previous analysis focused on overall projected changes in revenue and expenditures, the following section focuses on specific position changes recommended for inclusion in the FY 2024 Preliminary Budget.

### **Preliminary Staffing Discussion**

Leon County government continues to approach the annual budget process by identifying opportunities to constrain budgetary growth and to ensure the limited resources of the County continue to be aligned with the Board's highest priorities. The same efforts continue during the annual position review to ensure the organization is optimizing personnel resources. Prior to recommending adding positions to the budget, an organizational review occurs to determine if there are available efficiency measures Departments could make before adding positions. This includes whether other positions, especially vacant positions are still needed.

Except for EMS public safety positions, currently no new general revenue supported positions are recommended for FY 2024. This item recommends eight new EMS positions to fill the current ambulance schedule and staff special events. Historically, EMS has relied on part time paramedics (PRNs) to cover open ambulance shifts. However, due to the competitive job market for paramedics and their availability, these part time positions are difficult to fill. Funding for these eight new positions will largely be offset by a reduction in the PRN staffing and EMS overtime budgets for an estimated net budget impact of \$287,000.

Due to Leon County's low unemployment rate of 2.5%, the local job market is highly competitive, and there are currently many vacant positions throughout the organization. Instead of recommending creating new positions, Leon County Government will continue to focus on filling these vacant positions to maintain service delivery. Positions that cannot be filled will be considered for realignment within the organization to meet increased service demands in specific program areas.

### **Fund Balances**

Consistent with best governmental financial practices, Leon County Policy 07-2 "Reserves" establishes fund balance policy levels sufficient for cash flow and emergency purposes (Attachment #3). As property tax revenues are received two months after the start of the fiscal year, fund balances allow the County adequate cash flow to eliminate the need for short-term borrowing in October and November to cover payroll and required budget transfers to the Constitutional Officers.

As recognized by bond rating agencies like Fitch and Moody's, sufficient fund balances are considered a sign of fiscal stability and influence bond ratings. In addition, as noted in Policy 07-2, the use of fund balance more than the policy minimums should support one-time capital project funding and/or other one-time expenditures to address unforeseen revenue shortfalls. Moving toward the elimination of using recurring fund balance aligns with industry best practices, is consistent with County policy, and provides greater long-term financial stability for the County.

Even with the continued economic uncertainty surrounding COVID, due to long-term fiscal planning, before and during this unparalleled challenge, Leon County government has maintained

its fiscal viability. As recognized by Moody's Investor Service in its most recent November 2022 annual release, affirming the County's extremely high Aa2 credit rating.

#### *General Fund*

Barring unforeseen circumstance, and not contemplating the impacts of pending FRS legislation, and constraining expenditures to the greatest extent possible, the planned budget anticipates using no general revenue fund balance for balancing the budget. Last year the Board approved appropriating \$1.2 million in fund balance to provide five percent pay raises to employees over the normal average of 3%.

Appropriating no fund balance will allow for the continued replenishment of general revenue reserves, which can be used for emergencies such as hurricanes and future capital projects. Increasing the reserves will also allow Leon County to continue to receive high financial ratings from Moody's and Fitch. Comparatively, Leon County used \$5.0 million in fund balance in FY 2013 to support the budget and manage the impacts of the Great Recession.

The County's general revenue fund balances grow at a rate of \$3 to \$4 million a year. This is due to State budget requirements that counties budget 95% of expected revenues, and the nominal under expenditure of Board and Constitutional Officer's budgets. Hence, \$3 to \$4 million has not been an unreasonable amount to budget given the constraints placed on County resources. However, when this level of fund balance is used to offset the operating budget, fund balances do not grow year over year, but rather stay at the same level. When fund balance use is reduced (like during the current budget process), fund balances can start to grow. When the fund balances grow, they accumulate, and can be used as part of a "fund balance sweep" to fund one-time capital projects (i.e., Consolidated Dispatch Center and Branch Libraries). Alternatively, without general fund balance accumulation, the County would need to consider issuing debt to support future capital project needs.

Increasing the use of the general fund balance annually is an unsustainable practice. If the use of fund balance grew by only \$2 million each year (e.g., \$2.8 million FY 2024, \$4.8 million FY 2025, \$6.8 million, etc.), it would only take four or five years to deplete the entire fund balance. This occurs because the use rate would be much higher than the replenishment rate. This practice would further diminish the County's ability to provide fund balances for future capital projects or to maintain the catastrophe reserves, which were used in three consecutive years to fund the debris removal related to Hurricanes Hermine, Irma, and Michael.

#### *Other Fund Balance Use*

For the June budget workshop, depending upon final revenue and expenditure forecasts, the budget may include additional recommendations for fund balance usage in special revenue funds that receive general revenue support. These funds include the Probation/Pre-Trial, Building Inspection Services and Development Support and Environmental Services as examples. Also, a preliminary analysis of available general revenue above policy minimums is presented showing fund balances available to support the capital program.

### **Capital Program**

Like the operating budget, capital project funding requests are currently being reviewed by the County Administrator and the Office of Management and Budget to determine final recommended funding levels. A recommended capital program will be presented as part of the June budget workshop. While project funding requests are still being evaluated, it is anticipated that the capital program will continue to focus on the long-term maintenance of the County's extensive existing infrastructure, some of which includes over 2 million square feet of facilities, hundreds of miles of roads, and thousands of acres of parks, greenways, and trails.

As a financial best practice and to avoid the cost associated with borrowing, Leon County annually evaluates fund balance levels to determine the availability of funds to support the capital program. Using available fund balance for one-time expenditures for capital projects is considered a best practice. As previously noted, it is not considered a best practice to use reserves for recurring expenses.

Over the past three fiscal years, Leon County has used \$10 million in ARPA funds to support the County general capital program and \$17.4 million to fund sewer projects in the Primary Spring Protection Zone. The use of these funds has allowed for a reduced level of recurring general revenue funds to support the capital program. As planned, FY 2024 will use the final ARPA revenue replacement funds to ensure the capital program is properly supported. Using these remaining \$2.1 million in ARPA revenue replacement funds offsets the need to increase the general revenue transfer to capital.

Over the next five years, the general revenue supported capital budget averages \$15 million each year. To maintain this capital program, which is largely focused on maintaining the existing County infrastructure (buildings, IT systems and stormwater), a consistent amount of recurring general revenue would be required to fund these projects. From FY 2020 – FY 2023, the recurring general revenue support for the capital program has ranged from \$5.0 million - \$8.2 million. One-time ARPA revenues were used over the past several years to provide additional revenues to support the capital program.

As detailed in the previous section, fund balances grow due to revenue exceeding the budgeted amount and the under expenditure of the operating budget. These accumulated reserves, in excess of the balance required to maintain reserve policy minimums, become available to support one-time expenses in the capital program. Over the past 15 years, the County has used these excess reserves four times to support the capital program. These “fund sweeps” paid for the County's portion of the Public Safety Complex, the branch library expansion and stormwater projects. Using these reserves allowed the County to avoid the interest associated with the issuance of debt.

A preliminary review indicates that the County has \$15.0 million in available fund balances above the policy minimums that are available to support the capital program for the next two to three years. Specifically, \$10.4 million is available in non-countywide general revenue and \$1.0 million from the stormwater fund. Also, \$3.5 million in transportation reserves are available to support the transportation capital program.

Funding requests for capital projects are currently under review. Final recommendation for project funding and the five-year capital program will be presented at the June 20, 2023 Budget Workshop. A final analysis of available fund balances to support the capital program will also be provided at this time.

### **Strategic Initiatives**

While there are numerous ongoing efforts occurring throughout the organization to implement existing strategic initiatives, the following highlights three specific areas in the budget which recommend providing additional resources to implement additional strategic initiatives.

Several of the initiatives discussed below have different revenue sources identified to support their implementation. However, in addition, in September 2022, the Treasury Department launched the Local Assistance and Tribal Consistency Fund for eligible revenue sharing counties. This fund was established as part of ARPA and appropriated \$2 billion to Treasury across fiscal years 2022 and 2023 to provide payments to eligible revenue sharing counties and eligible Tribal governments. These funds can be used for any governmental purpose except lobbying activities. Leon County's share of this funding is \$500,221 and will be provided evenly over two fiscal years. The first installment was received in January 2023 and the second is anticipated to be received later this year.

As discussed below, this item recommends this funding be considered to assist in addressing homelessness as part of the May 23, 2023 Homelessness Workshop. Alternatively, the Board may wish to provide different direction for the use of these funds in support of alternative strategic initiative or priorities of the Board.

#### *Primary Health Care*

The following strategic initiative was approved by the Board as part of the January 24, 2023 Retreat:

*(Q4) Evaluate the reimbursement structure of the Leon County Health Care Program to better reflect the cost for diagnostic and ancillary costs such as laboratory and X-ray services and ensure continued access to affordable health care for low-income individuals and families. (2023-12)*

Currently, providers are not reimbursed by the County for diagnostic and ancillary costs such as laboratory and X-ray services. The providers have informed the County that historically all patient visits eligible for primary care reimbursement are for acute illnesses that require diagnostic and ancillary services. While Medicaid covers services such as laboratory and X-ray services, which the County does not cover, patients participating in the County's Health Care Program who are not Medicaid eligible are not charged for diagnostic testing. These costs are currently absorbed by the providers. To address the unfunded testing costs, the providers have requested that the County consider including reimbursement for these diagnostic and ancillary service costs as an eligible reimbursement expense.

The current payment for visits to these providers is \$125. Working closely with the County's healthcare partners and taking into consideration the costs to provide diagnostic and ancillary services such as laboratory and X-rays, this item recommends increasing the primary care visit reimbursement rate from \$125 to \$225 over the next two fiscal years. Funds are available within the current annual primary healthcare allocation and this item recommends increasing the payment for patient visits to \$175 in FY 2024 and \$225 for FY 2025. Based on actual activity, a minimal increase in funding may be required in FY 2025.

Additionally, the County also contracts with We Care to coordinate donated specialty care services. As also discussed at the January retreat, We Care has requested the County's partnership in its Patient Assistance Fund which provides financial assistance for diagnostic and ancillary services for specialty care services. Annually, We Care budgets approximately \$30,000 for its Patient Assistance fund which is normally exhausted prior to the end of the fiscal year. To address this funding deficiency, the Office of Human Service and Community Partnership (HSCP) worked closely with We Care, and this item recommends an increase of \$15,000 be provided annually. These funds are included in the preliminary budget.

#### *Homelessness*

In partnership with the Big Bend Continuum of Care (CoC), City of Tallahassee (City), and local human services providers, Leon County is committed to addressing homelessness in the community. In response to the COVID-19 global pandemic, which significantly impacted vulnerable populations such as individuals and families experiencing homelessness, the County adopted policies, established programs, enhanced partnerships to ensure resources were available to address the highest homeless needs. As a result, in the past three years, the County has invested more than \$32 million in programs and initiatives including the adoption of Leon CARES which included housing and utilities assistance to prevent foreclosures, evictions, and utility interruptions for more 5,000 County residents; the establishment of the Homeless Services Category in the Community Human Services Partnership to fund emergency homeless shelters, diversion programs, and permanent supportive housing; the expansion of Street Outreach in Tallahassee-Leon County; and the creation of the Sheriff's Homeless Outreach Street Team (HOST) deputies. Further details of the County actions will be presented during the Board's workshop on homelessness scheduled for May 23, 2023. Additionally, the Board will be provided a comprehensive report on the homeless response system in Leon County, local homeless data, and recommendations to build on the County's effort to address homelessness in coordination and collaboration with the CoC, the City, local homeless service providers.

In addition to the millions in ARPA funding and annual CHSP allocations, this budget discussion item recommends allocating the \$500,021 of Local Assistance and Tribal Consistency Funds for consideration at the workshop.

The existing and additional funding being considered at the May workshop, support several existing Strategic Initiatives:

*(Q4) Leverage federal funding and relationships with local service providers to increase the number of temporary/transitional housing beds available to those experiencing homelessness. (2023-19)*

*(Q4) Work with the City of Tallahassee, Big Bend Continuum of Care, Kearney Center, and other local stakeholders to enhance engagement and awareness of resources available for individuals and families experiencing homelessness in order to support safe, stable, and inclusive neighborhoods. (2023-11)*

*(Q4, Q5) Work with the City of Tallahassee, Big Bend Continuum of Care, and street outreach teams to develop corridor plans for North Monroe, Downtown, and Pensacola Street for outreach to unsheltered homeless individuals and to engage residents and businesses to address community aesthetics and neighborhood safety along the corridors. (2013-17)*

### *Affordable Housing*

As presented in previous Board agenda items, the highest affordable housing need in Tallahassee-Leon County is affordable rental units for very low-income households that earn less than 50% of the area median income. According to the Shimberg Center for Housing Studies at the University of Florida, Leon County needs more than 7,000 affordable units to meet the housing needs of very low-income households currently living in the community.

To address this need, the County has collaborated and coordinated with local partners including the City, Housing Finance Authority of Leon County, and Tallahassee Housing Authority to increase and preserve the stock of affordable rental housing units through policy development, program implementation, and strategic investments. For its part, over the past two years, the County has provided \$4.3 million in direct funding to increase the number of affordable housing rental units and authorized approximately \$148 million in bond financing for the development and redevelopment of affordable multifamily housing projects including: funding provided to Orange Avenue Apartments through ARPA, ERA, and the CRA, as well as several projects that the Board authorized the HFA to finance through bonds. As a result, more than 1,000 affordable rental units will be developed over the next 12-18 months due to actions and investments made by the County.

The preliminary budget also recommends including additional recurring funding to support future affordable housing rental projects using SHIP funding. Recent changes to SHIP guidelines now allow up to 25% of the allocation to support affordable housing rental activities such as multifamily development construction. Preliminary state estimates have Leon County receiving \$1.13 million next year, an increase of \$196,091 from the current year. This allows Leon County to provide \$283,135 towards affordable multifamily dwellings which can be used to match and leverage state and federal bond financing programs. The remaining funding would continue to be used for the replacement and/or repair of single-family homes for low-income households that meet specific eligibility requirements. After the adoption of the State Budget, a July agenda item will be brought to the Board for approval of final SHIP allocations.

If approved in the final budget, the allocation of these funds assists in supporting the following Strategic Initiative:

*(Q4) Continue to leverage County funding in partnership with local stakeholders to secure state and federal funding to build affordable rental housing for very low- and low-income families. (2023-18)*

In addition to these Strategic Initiatives, this preliminary budget overview addresses several other fiscal issues as discussed in the next section.

### **Other Budget Considerations**

#### *Waste Hauling Contract*

Solid Waste collection and disposal is generally comprised of two components. First, waste is collected at a residential property by Waste Pro, Inc. or if in the City limits, by the City of Tallahassee. In the unincorporated area, residents contract directly with Waste Pro for collection services. Alternatively, unincorporated residents can dispose of their waste for free at one of the County's rural waste service centers. If residents live in the City, they pay for these services on their tax bill.

The second component of the solid waste collection and disposal system involves the hauling and disposal of the waste. The County operates a transfer station that accepts all waste for both the unincorporated and incorporated areas of the County. When waste is brought to the Transfer Station by the City of Tallahassee, the City pays a tipping fee. The tipping fee is a per ton charge. When Waste Pro, Inc. brings residential unincorporated waste to the Transfer Station, Waste Pro, Inc. is not charged. The cost for the unincorporated waste is paid for through the existing \$40 non-ad valorem assessment on the tax bill and a general revenue transfer. A general revenue transfer is necessary as the \$40 assessment does not cover the cost of the tipping fee as well as the cost of the rural waste services centers. Since the non-ad valorem assessment has not been changed since 1994, a discussion of possibly increasing this assessment and eliminating the general revenue subsidy in the future is considered later in this item.

Once solid waste is brought to the Transfer Station, it is then hauled to Waste Management's Spring Hill landfill in Jackson County for disposal. The hauling and disposal are governed by an existing 10-year agreement between Leon County and Waste Management. The long-term nature of the agreement provides certainty for the County's ability to dispose of solid waste and mitigate to the greatest extent possible cost increases. The agreement is comprised of two components: the cost to haul and the cost to dispose. As Waste Management subcontracts for the hauling, the agreement recognized that the cost to haul could vary greatly over the ten-year term of the contract. Consistent with the current job market, significant cost increases have occurred in their ability to hire and maintain CDL drivers as well as the inflationary cost of equipment. The contract already has adjustments related to fuel costs. Therefore, the contract allows Waste Management to request an increase in the hauling at the five-year mark of the contract. Leon County received notification from Waste Management that under the terms of the existing agreement, they desire an increase to the hauling contract.

Waste Management has formerly indicated a hauling price of \$22.48/ton, an increase of \$10.19/ton from the current hauling rate. These costs are a direct pass through to Waste Management's contracted hauling company. Based on current tonnage collected at the transfer station, the total increase would be \$2.4 million. The cost related to the unincorporated area of the County is an estimated \$422,000 with the balance to be paid by the City.

The contract with Waste Management correspondingly allows the County to seek alternative approaches to hauling and disposal if the County is unable to come to acceptable terms with Waste Management. While preliminary analysis indicates there are limited alternative options, efforts will continue to evaluate other possible solutions. For budget planning purposes, funding to support the increased cost identified by Waste Management has been included in the budget. Prior to the adoption of the FY 2024 budget, a future agenda item will be provided to the Board with final recommendations regarding the hauling and disposal agreement with Waste Management.

#### *Opioid Litigation*

The Board previously authorized the County to join the multidistrict opioid litigation (MDL) against opioid manufacturers, distributors, and retailers, and retain outside counsel. In June 2018, the County entered a contract with outside counsel, Levin, Papantonio, P. A., and Parks Law, LLC, to represent the County in this matter. In 2020, the State of Florida, Office of the Attorney General began to hold a series of meetings with Florida local governments to negotiate a unified plan for the proposed allocation and use of opioid settlement proceeds (Unified Florida Plan). The Memorandum of Understanding with the State provides the framework of the Unified Florida Plan. On September 14, 2021, the Board approved the MOU and adopted a Resolution supporting the Unified Florida Plan.

At the May 22, 2022 meeting, the Board approved the opioid litigation settlements with CVS Health Corporation and CVS Pharmacy, Inc., Teva Pharmaceutical Industries Ltd., and Allergan Finance, LLC, Allergan Sales, LLC, Allergan USA, Inc., and Allergan Limited Participation Agreements. Subsequently at the November 22, 2022 meeting the Board authorized the settlement with Walmart.

Depending on the specific agreement, payments for these settlements will occur over a period of 11 – 18 years. The final allocation plan received from the Attorney General's Office on April 5, 2023 shows Leon County receiving \$1.99 million over the 18-year period to mitigate the impacts of opioids on the community. The annual settlement allotment is variable but averages \$110,624/year. In FY 2023 Leon County has received its first allocation of \$100,565. Due to a one-time settlement payment from Walmart, in FY 2024 Leon County will receive \$226,074.

Currently, a plan regarding the use of these funds as required in the agreements is being developed. The initial plan recommending the immediate and long-term use of these funds to mitigate the impacts of prescription opioids in the community will be presented at the June 20, 2023 Budget Workshop.

While these funds will be considered in the current year, it is also necessary to look forward to future budget cycles. The following section provides several considerations for future budget cycles.

#### **Multiyear Fiscal Planning**

The County has previously engaged in multiyear fiscal planning to ensure the long-term fiscal viability of the County and to ensure the resources available to the County are used in the most prudent manner. Through these efforts, the County has deliberately been able to save taxpayers

millions of dollars by deferring increases in property taxes and fees. In addition, during this time, guided by the Strategic Plan, the County has increased its investment in areas such as public safety, human services, park amenities, etc. At the same time, the County has also maintained hundreds of miles of road, hundreds of thousands of square feet of building space, and thousands of acres of parks while paying down debt and maintaining adequate levels of reserves.

While no fiscal plan can contemplate the significant impacts of the recently proposed FRS legislation, this completely unanticipated fiscal shock did expose the limitations of the County's existing revenue diversification. Currently, the County provides general revenue support to several programs, such as Solid Waste and Stormwater, that with the appropriate level of fees or assessments would be self-supporting. This approach is consistent with the County's "Fiscal Guiding Principles" and Fiscal Policies that state fees charged in enterprise operations will be calculated at a level which will support all direct and indirect costs of the enterprise. As with Fire and EMS, the existing fees and assessments for Solid Waste and Stormwater have been deliberately suppressed for many years to provide millions in relief to taxpayers.

However, to ensure the continued long term fiscal viability of the County, it is critical to reduce and eliminate these general revenue subsidies. The elimination of these subsidies allows the County to rebuild reserves and provides additional resources to address future unanticipated expenditure increases without drastic cuts to operating and capital budgets or increases to property tax rates.

As discussed earlier in this item, the Solid Waste residential non-ad valorem assessment of \$40 per year has remained unchanged since 1994 or almost 30 years. This fee is intended to pay for the cost of disposing of solid waste brought to the transfer station. This fee no longer pays the full cost of providing this service. In addition, the County does not charge residents to use the rural waste service centers. To offset these costs, the County provides millions in annual general revenue to the Solid Waste Fund. An increase to the non-ad valorem assessment could eliminate this general revenue support. Like the Fire Fee, a study would need to be conducted to ensure a legally defensible rate is established. It is recommended that a fee study be prepared and considered as part of next year's budget process (FY 2025).

Like Solid Waste, Leon County's Stormwater program is also supported by a non-ad valorem assessment. This assessment was last reviewed and increased in 2013. The Stormwater assessment provides revenues to pay for the operation and maintenance of the County's stormwater system. However, the non-ad valorem assessment is not adequate to support the program and millions in general revenue are annually used to augment the program's funding. Like the other assessments, a study would need to be conducted to establish recommended fees. Continuing to provide for taxpayer sensitivity, it is recommended that a stormwater fee study not be considered until FY 2027 which would be two years after the Solid Waste fee adjustment.

Leon County has deliberately demonstrated continuous fiscal constraint by mitigating any tax and fee increases until such time as all other approaches have been exhausted. This includes maintaining a budget per capita at one of the lowest rates of any County in Florida, judiciously adding only the most critical positions to the budget, leveraging millions in state and federal grants, and paying down outstanding debt while taking advantage of historically low interest rates when

they were available. However, the recently proposed FRS legislation requires the County to revisit its long-term funding strategies. With a reasoned and deliberate approach to increasing the Solid Waste and Stormwater assessments over a period of several years, the County will be better positioned to remain a fiscally viable organization into the foreseeable future.

### **Conclusion**

Due to a long history of rigorous fiscal planning, Leon County has been able to continue to provide high quality essential services, while perennially being one of the most efficient and affordable county governments in Florida. By reducing spending at the beginning of the pandemic, constraining budget growth in previous budgets, and the targeted and intentional use of Federal ARPA funding, the County is positioned to consider an FY 2024 budget with limited millage and fee increases (EMS and Fire); the reduced use of fund balances; restoring reserves; maintaining high quality service delivery; maintaining strategic, long term investments in infrastructure; ensuring a high performing workforce with fair pay and equitable practices; and continuing to invest in making the community stronger by leveraging partnerships and supporting those most in need. With this said, the final impacts concerning proposed legislative changes to funding the FRS system could change this outlook dramatically.

The sudden and persistent rise in inflation has added additional stresses on the economy, including local government. Through best fiscal practices, the County's strong financial foundation was established over many previous budget cycles by using budget discipline, sound financial planning and an organization-wide focus on innovation, cost avoidance and efficiency. During previous recessions and downturns in the economy, the County maintained fees and passed on significant property tax savings to citizens.

In the same way the County came out of the Great Recession, the County again is addressing significant fiscal issues in a deliberate and fiscally constrained manner. It bears repeating that these recommended actions provide the necessary resources to continue maintaining the County as a financially viable organization with the ability to withstand the impacts and rebound from the COVID-19 pandemic and the current inflation that is adding more pressures to local government expenses, especially related to cost of material, supplies and the cost of capital projects.

Even with the continued economic uncertainty, due to this long-term fiscal planning, before and during this unparalleled challenge, Leon County Government's fiscal resilience has not gone unrecognized. As acknowledged by Moody's Investor Service in its November 2022 annual release, which affirmed the County's Aa2 credit rating.

With the continued leadership of the Board, the dedication of our talented employees and the active engagement of citizens and partners, Leon County government continues to best position the organization to continue to meet the current and foreseeable challenges and opportunities facing our organization and community.

To prepare the FY 2024 June Budget Workshop, several policy discussion items are presented for Board consideration:

- Joint City/County 2023 Fire Services Fee

- Consideration of Proposed Emergency Medical Services MSTU Increase
- Proposed Revisions to Policy No. 17-2, “Street Lighting Eligibility Criteria and Implementation” to Provide Street Lights at School Bus Stop Locations
- Overview of Legislative Changes Concerning Publication of Advertisements and Legal Notices

The remainder of this workshop presents these discussion items.

**Options:**

1. Accept the report on the Preliminary Budget overview.
2. Approve increasing the Primary Health Care Provider patient visit reimbursement rate from \$125 to \$175 in FY 2024 and to \$225 in FY 2025.
3. Approve the \$500,021 of Federal Local Assistance and Tribal Consistency Funding to be considered as part of the May 23, 2023 Homelessness Workshop or the Board may wish to provide any additional direction on the use of these funds.
4. Board direction.

**Recommendation:**

Options #1 #2, and #3 and any other direction the Board wishes to provide in the development of the FY 2024 Preliminary Budget

**Attachments:**

1. Cost Saving and Avoidance Summary
2. County Administrator Letter to Legislation Delegation
3. Leon County Policy No. 07-2 “Reserves”

## Consolidated List of County Cost Avoidance and Savings FY 2013 to Present

Attachment #1

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Cost Avoidance Efforts	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Summary
Fire Sprinkler System at Evidence Facility											\$ 250,000	\$ 250,000
Boat Landing and Pier Replacements										\$ 1,350,000		\$ 1,350,000
Courthouse Switchgear										\$ 625,000		\$ 625,000
J. Lee Vause Boardwalk										\$ 600,000		\$ 600,000
J. Lee Vause Retaining Wall										\$ 50,000		\$ 50,000
St. Marks Phase II Low Water Crossing										\$ 400,000		\$ 400,000
Rebuild of Mowers										\$ 75,000		\$ 75,000
Public Works Building and Parking Lot Safety Improvements										\$ 55,000		\$ 55,000
Main Library Parking Lot Lighting										\$ 18,500		\$ 18,500
Tharpe Street Demolition										\$ 65,000		\$ 65,000
Public Safety Complex Logistics Door Repair										\$ 26,000		\$ 26,000
Utility Savings										\$ 133,196		\$ 133,196
Courthouse Sealant and Softwash									\$ 13,000,000			\$ 13,000,000
Public Works Building Roof Repair									\$ 375,000			\$ 375,000
Sheriff Evidence Building								\$ 10,000,000				\$ 10,000,000
Boat Ramp Maintenance by State DEP								\$ 400,000				\$ 400,000
Sheriff Training Facility						\$ 800,000						\$ 800,000
Capital Building Maintenance Approach avoidance					\$ 3,100,000							\$ 3,100,000
Career Source Partnership					\$ 84,000							\$ 84,000
Insurance Savings					\$ 54,253							\$ 54,253
EMS Billing Savings					\$ 100,000							\$ 100,000
Landscape Mulching					\$ 6,600							\$ 6,600
PSC Regulate Water Utilities					\$ 100,000							\$ 100,000
Orchard Pond Parkway Multi-Use Trail					\$ 615,000							\$ 615,000
Landfill dirt hauling, closing cells, stormwater					\$ 3,600,000							\$ 3,600,000
Chaires Ballfield					\$ 1,000,000							\$ 1,000,000
IDA Credit Cards					\$ 25,000							\$ 25,000
Evidence Vault					\$ 50,000							\$ 50,000
County Financial System Replacement Avoidance					\$ 5,000,000							\$ 5,000,000
Homeland Cyber Security Program					\$ 75,000							\$ 75,000
Fuel Savings				\$ 318,000								\$ 318,000
Debt Savings(refinance)			\$ 170,000	\$ 300,000								\$ 470,000
Utility Savings			\$ 500,000									\$ 500,000
Co-locate Probation and Pre-Trial Programs			\$ 75,000									\$ 75,000
Cross Training of Environmental and Engineering Inspectors			\$ 110,980									\$ 110,980
Facilities Management Maintenance Reorganization		\$ 105,825										\$ 105,825
Reduce Library Book Mobile and Courier Services		\$ 72,353										\$ 72,353
Cross Departmental Team Equipment Sharing		\$ 250,000										\$ 250,000
Mahan Drive Right of Way Maintenance		\$ 290,000										\$ 290,000
Centralized Printing		\$ 52,293										\$ 52,293
Construction of Consolidated Supervisor of Elections Office	\$ 10,000,000											\$ 10,000,000
Opening Expanded Branch Libraries with Existing Staff	\$ 260,978											\$ 260,978
Human Services/Veteran's Services Reorganization	\$ 51,597											\$ 51,597
Realignment of Solid Waste Staff to Parks and Recreation	\$ 82,503											\$ 82,503
Purchasing Division Reorganization	\$ 60,000											\$ 60,000
Consolidation of Administrative Functions	\$ 92,414											\$ 92,414
Veteran's Direct Emergency Assistance	\$ 10,000											\$ 10,000
Consolidation of Community and Media Relations Functions	\$ 53,135											\$ 53,135
	\$ 10,610,627	\$ 770,471	\$ 855,980	\$ 618,000	\$ 5,075,000	\$ 8,734,853	\$ 800,000	\$ 10,400,000	\$ 13,375,000	\$ 3,397,696	\$ 250,000	\$ 54,887,627

I squared to date

\$ 8,705,454

Total Cost Avoidance and I squared savings

\$ 63,593,081

## I<sup>2</sup> Award - Cost Savings Breakdown (Since Inception)

Fiscal Year	Project Title	Annual Cost Savings*	One Time Cost Savings
FY23	Safety Team Revitalization, Safety Manual Revamp and Training Roll Out	\$ -	\$ -
FY23	Visitor Information Center - Amtrak Building Renovations	\$ -	\$ -
FY23	Stormwater Inventory Mapping	\$ -	\$ 152,800
FY23	Leon County Community Insurance Savings	\$ -	\$ 117,500
FY23	Transfer Station Tipping Floor High Bay Lights	\$ -	\$ 93,000
FY23	J. Lee Vause Boardwalk Replacement Project **	\$ -	\$ -
FY23	New Virtual Portal for Benefits and Well-Being Fair	\$ 5,800	\$ -
FY22	Courthouse Switchgear **	\$ -	\$ -
FY22	World Athletic 2026 Cross County Championship Bid	\$ -	\$ -
FY22	Recycling Propane Tanks is a Win-Win	\$ -	\$ -
FY22	Facilities DECON Team Provides Critical Service	\$ -	\$ -
FY22	Exit Sign Retrofit Project	\$ -	\$ 63,200
FY22	Script for Supporting 911 Addressing	\$ -	\$ -
FY22	#PlantWildflowers	\$ -	\$ -
FY22	Hybrid Disaster Preparedness Workshop for County Employees	\$ -	\$ -
FY22	Celebrating Life, Understanding Death Program Series	\$ -	\$ -
FY22	Apalachee Audubon Society Grant - Easter Screech Owl Boxes	\$ -	\$ 488
FY22	Everbridge Support for TFD Staff Scheduling	\$ -	\$ -
FY22	Staff Initiative = Big Savings for Leon County	\$ -	\$ 56,000
FY22	Dementia Resources for First Responders	\$ -	\$ -
FY22	FWC Invasive Plan Management Section (IMPS) Grant	\$ -	\$ 28,119
FY22	Budget 101, Activating a Team Approach	\$ -	\$ -
FY22	Risk Management Claims Module	\$ 6,856	\$ -
FY22	2021 Leon County Hiring Fair "Lead Team"	\$ -	\$ -
FY21	Virtual Health Fair	\$ -	\$ -
FY21	In-house Printing of BoCC Envelopes	\$ 4,984	\$ -
FY21	(In-house) Business Card Printing	\$ 6,700	\$ -
FY21	(In-house) BoCC Letterhead Savings	\$ 475	\$ -
FY21	Pilot Program - Ambulance On-Board Battery System	\$ 11,000	\$ -
FY21	Nonprofit Assistance Grant Program - Internal Implementation	\$ -	\$ 975,000
FY20	Leon CARES Rollout	\$ -	\$ -
FY20	Leon CARES Individual Assistance Program Citizen Outreach and Payment Process	\$ -	\$ -
FY20	Census 2020	\$ -	\$ -
FY20	Physical Distancing Gator Graphic	\$ -	\$ -
FY20	Sign Truck Cost Savings	\$ -	\$ 21,000
FY20	Woodville Branch Library Renovation	\$ -	\$ 10,088
FY20	Leon County Historical Scavenger Hunt	\$ -	\$ -
FY20	Launch of Virtual Learning and NEOGOV Learn	\$ -	\$ -
FY20	Deep Cleaning	\$ -	\$ 75,545
FY20	"Always Open" Web page	\$ -	\$ 6,312
FY20	Leon County HSCP - Neighborly Online Platform Integration	\$ 10,671	\$ -
FY20	COVID-19 Work from Home Technology Team	\$ -	\$ -
FY20	Radio Control Airfield Relocation	\$ -	\$ 180,000
FY20	Sunset Landing	\$ -	\$ 3,290
FY20	Virtual Commission Meeting Team	\$ -	\$ -
FY20	County Staging for Coronavirus Response	\$ -	\$ -
FY20	Launch of the NEOGOV Perform Appraisal System	\$ -	\$ -
FY20	Step Up Challenge	\$ -	\$ -

## I<sup>2</sup> Award - Cost Savings Breakdown (Since Inception)

Fiscal Year	Project Title	Annual Cost Savings*	One Time Cost Savings
FY20	Right Sizing the Library's Collection, Creating Local and Regional Benefits	\$ -	\$ -
FY20	Solid Waste Liner Repair	\$ -	\$ 262,518
FY20	Big Picture Planning	\$ -	\$ -
FY20	Equitable Fire Services Billing	\$ 185,000	\$ -
FY19	CosmicCon 2019	\$ -	\$ -
FY19	Operation Millings Savings	\$ 100,000	\$ -
FY19	Collaborative Reuse with Habitat for Humanity/Smarter Sorting	\$ -	\$ -
FY19	Expanded IDA Alcohol Testing Hours	\$ 4,878	\$ -
FY19	Transfer Station Power Loss	\$ -	\$ 15,850
FY19	Storm Damage Fee Refund Program	\$ -	\$ -
FY19	Going the Extra Mile for Those in Need	\$ -	\$ -
FY19	DSEM DBPR Internship for Inspectors and Plans Examiners	\$ -	\$ -
FY19	Protecting Our Most Vulnerable Population Before Hurricane Season	\$ -	\$ -
FY19	Outlook and Employee ID Photo Project	\$ -	\$ 4,000
FY19	Stay and Play	\$ -	\$ -
FY19	Vermicomposting Pilot Project	\$ -	\$ -
FY19	Citizens Committee Tracking Application	\$ 18,000	\$ -
FY19	Building Permit ICU	\$ -	\$ -
FY19	Natural Bridge Sidewalk Project	\$ -	\$ 11,122
FY19	Campground Reservation System	\$ 35,379	\$ 50,000
FY19	Developing an Alternative for the Library Card Digitization Project	\$ -	\$ 27,800
FY19	Permit Routing Consistency Manual	\$ -	\$ -
FY19	Sidewalk Inventory & ADA Compliance Reporting	\$ -	\$ -
FY19	#WOWWednesday	\$ -	\$ -
FY19	Disaster Technology	\$ -	\$ -
FY19	Souper Bowl	\$ -	\$ -
FY18	Ambulance Refurbishment Project	\$ 135,000	\$ -
FY18	Class 3 East and Class 3 West Closure Project	\$ -	\$ 176,969
FY18	Bike Month 2018	\$ -	\$ -
FY18	Record Household Hazardous Waste Collection Season	\$ -	\$ -
FY18	Created Equal	\$ -	\$ -
FY18	Emergency Mapping of Northeast Multi-Use Trail	\$ -	\$ -
FY18	Initial Damage Assessment Tools	\$ -	\$ -
FY18	IV vs. IO Research Project by EMS	\$ -	\$ -
FY18	Leon County LINK Contract with Democrat	\$ 53,763	\$ -
FY18	Oracle Licensing Savings	\$ -	\$ 282,150
FY18	Partnership w/ CareerSource for Summer Youth Training Program	\$ 40,000	\$ -
FY18	ReNew Latex Paint Program	\$ 3,200	\$ -
FY18	Separating the Landfill Closure contract	\$ -	\$ 3,600,000
FY18	Solid Waste Stormwater Pond Construction (Landfill Closure)	\$ -	\$ 313,000
FY18	Developing Apalachee Regional Park Signage In-House	\$ -	\$ 10,000
FY18	IDA Employment and Community Resource Fair	\$ -	\$ -
FY18	Renovation of Refuge House	\$ -	\$ 133,349
FY18	Local Update of Census Addresses	\$ -	\$ -
FY18	Bluecat DNS Server	\$ 2,500	\$ 14,937
FY18	Leon Learns Training Portal	\$ -	\$ -

## I<sup>2</sup> Award - Cost Savings Breakdown (Since Inception)

Fiscal Year	Project Title	Annual Cost Savings*	One Time Cost Savings
FY17	Citizen Rescue at Miles Johnson Road	\$ -	\$ -
FY17	Leon County Kickball	\$ -	\$ -
FY17	EMS Safety Fair	\$ -	\$ -
FY17	Reducing Costs for Public Notifications	\$ 13,200	\$ -
FY17	2017 Leon County Disaster Survival Guide	\$ -	\$ -
FY17	Enhanced Citizens Connect App - Emergency Info Push Notifications	\$ -	\$ -
FY17	EOC Mini-Video Wall	\$ -	\$ 12,500
FY17	Creative Space Utilization - Sheriff's Office	\$ 19,200	\$ 75,000
FY17	DSEM Digital Signage	\$ -	\$ 10,000
FY17	Development Proposal Notification Sign Purchases	\$ 1,200	\$ -
FY17	Clerk Phone System Upgrade	\$ -	\$ -
FY17	Library Telescope Lending Program	\$ -	\$ -
FY16	Wakulla Bus Crash	\$ -	\$ -
FY16	Orchard Pond Parkway	\$ -	\$ -
FY16	Natural Bridge Replacement	\$ -	\$ -
FY16	Library Tree	\$ -	\$ -
FY16	Intervention and Detention Alternatives Point of Sale Solution	\$ -	\$ -
FY16	Intersection Safety Improvement	\$ -	\$ -
FY16	Leachate Treatment and Disposal Overbilling Correction	\$ 432,000	\$ -
FY16	Hazardous Waste Program	\$ -	\$ -
FY16	Leon Trees Cost Avoidance	\$ 46,000	\$ -
FY16	Green Infrastructure	\$ -	\$ -
FY16	Animal Control Schedule Modifications Cost Savings	\$ 108,706	\$ -
FY16	Water Consumption Analysis - Overbilling Correction	\$ 6,120	\$ 21,528
FY16	Operation Save - Overbilling Correction	\$ -	\$ 6,700
FY16	Special Event Grant Online Application Staff Time Savings	\$ 11,000	\$ -
FY16	Kinhega Roundabout - Signal Maintenance Cost Avoidance	\$ 6,000	\$ -
FY16	9/11 Day of Remembrance	\$ -	\$ -
FY15	Bucket List Book Club	\$ -	\$ -
FY15	Library Public PC Refresh Project Cost Avoidance	\$ 277,605	\$ -
FY15	Printer Consolidation and Copier Management	\$ 195,879	\$ -
FY15	Waste Stream Tire Elimination	\$ 108,000	\$ -
FY15	DV,SV,Stalking Workplace Training	\$ -	\$ -
FY15	Chaires Park Drainage Project - Schedule Cost Savings	\$ -	\$ 36,573
FY15	William Campground Renovations	\$ -	\$ -
FY15	Killearn Lakes-Pitter Partnership Mobilization Cost Avoidance	\$ -	\$ 10,000
	<b>Subtotal</b>	\$ 1,849,116	\$ 6,856,338
	<b>Total Cost Savings</b>	\$ 8,705,454	

\*Note: Annual Cost Savings is adjusted to reflect total annual cost savings since the date it was awarded.

\*\*Note: I<sup>2</sup> nomination submitted but costs reflected under Cost Avoidance and Savings.



# Leon County

## Board of County Commissioners

301 South Monroe Street, Tallahassee, Florida 32301  
(850) 606-5300 www.leoncountyfl.gov

### Commissioners

NICK MADDIX  
At-Large  
Chairman

CAROLYN D. CUMMINGS  
At-Large  
Vice Chairman

BILL PROCTOR  
District 1

CHRISTIAN CABAN  
District 2

RICK MINOR  
District 3

BRIAN WELCH  
District 4

DAVID T. O'KEEFE  
District 5

VINCENT S. LONG  
County Administrator

CHASITY H. O'STEEN  
County Attorney

April 5, 2023

The Honorable Allison Tant  
Florida House of Representatives  
329 The Capitol  
402 South Monroe Street  
Tallahassee, FL 32399-1300

The Honorable Jason Shoaf  
Florida House of Representatives  
222 The Capitol  
402 South Monroe Street  
Tallahassee, FL 32399-1300

The Honorable Gallop Franklin II  
Florida House of Representatives  
1001 The Capitol  
402 South Monroe Street  
Tallahassee, FL 32399-1300

The Honorable Corey Simon  
Florida Senate  
302 Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399-1100

DELIVERED VIA E-MAIL

### Re: Urgent Request for Assistance – HB 239/SB 7024

Dear Members of the Leon County Legislative Delegation:

As you are aware, the Florida House and Florida Senate passed budget “conforming” bills this week related to the Florida Retirement System (HB 239 and SB 7024). The House’s version of this legislation, specifically, includes provisions which would restore 3% cost-of-living adjustments for FRS Pension Plan members, expand eligibility to participate in the DROP program by three years, reduce the normal retirement age for FRS Special Risk Class members, and more.

While Leon County strongly supports legislation such as this which enhances retirement benefits for state and county employees and which bolsters our recruitment and retention efforts, I am writing to you to share some information about the projected fiscal impact that Leon County will incur should this legislation become law (specifically, the provisions contained in HB 239 and the “strike-all” amendment adopted to SB 7024 this week by the House, Amendment #979575).

**In Leon County’s case, the fiscal impact of this legislation alone, as currently drafted would absorb all of the property tax revenue growth projected for FY 2023-24.** Specifically, based upon the increased employer contribution rates proposed by this legislation, the cost of this bill to Leon County would be approximately \$14.3 million. By comparison, the Leon County Property Appraiser

currently projects growth of approximately 6% to 8% in property values for next year. Assuming the same millage rate as the current year, actual growth in property values would have to be 8.5% (higher than the Property Appraiser's current estimate) just to offset the cost of this legislation alone. Should actual growth in property values come in at 7.5% (still above the midpoint of the Property Appraiser's estimate), the current millage rate would generate \$12.7 million in revenue, or \$1.6 million less than the cost of this legislation.

Please keep in mind that the figures stated above reflect the fiscal impact of this legislation to Leon County before addressing pressing community needs such as public safety, emergency medical response, the addition of even a single library book, or providing a cost-of-living adjustment for County employees. Stated differently, **the fiscal impacts associated with this legislation would necessitate a property tax increase** in order for Leon County to balance its budget without drastically cutting existing programs or services.

Finally, the figures provided above reflect the projected impact for just one Florida county. I am certain that many other counties – particularly those that do not typically experience large increases in property values year-over-year – would incur similarly significant impacts.

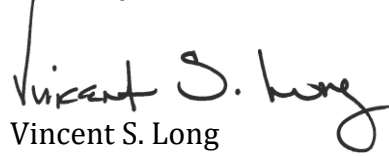
Considering the impacts of this legislation discussed above, we ask that you consider a revision during the upcoming conference committee process that would mitigate the significant fiscal impacts to counties like Leon which do not experience the same level of general revenue growth as other counties throughout the state. This could take the form of an exemption from some of the requirements of the bill for counties that experience a growth rate in property values below a certain benchmark (a 10% growth rate year-over-year, for example). Alternatively, the Legislature could allocate state funds to offset the fiscal impacts for disproportionately affected counties; this option may be particularly feasible at this time, as the State has a record level of surplus funding totaling nearly \$13 billion, including \$7.5 billion in unallocated General Revenue reserves. **Without this provision, this well-intended legislation could cause more harm than good for public employees.**

Again, as a participating employer in the Florida Retirement System, and as the home of nearly 20,000 State of Florida employees, Leon County has a long history of supporting legislation that protects and enhances benefits for state and county workers. While we continue to support legislation such as HB 239, we appreciate your

consideration of the potential catastrophic impacts of this bill and any efforts you would be willing to make to mitigate its significant fiscal impacts.

Thank you as always for your attention and urgent action. I will be reaching out to your offices shortly to set up a meeting to discuss this important matter in more detail.

Sincerely,

A handwritten signature in black ink that reads "Vincent S. Long". The signature is written in a cursive, flowing style.

Vincent S. Long  
County Administrator

cc: Leon County Board of County Commissioners  
Chasity H. O'Steen, County Attorney  
The Honorable Governor Ron DeSantis  
The Honorable Kathleen Passidomo, President of the Florida Senate  
The Honorable Paul Renner, Speaker of the House of Representatives  
The Honorable Doug Broxson, Chairman, Senate Appropriations Committee  
The Honorable Tom Leek, Chairman, House Appropriations Committee  
Ginger Delegal, Executive Director, Florida Association of Counties  
Davin Suggs, Legislative Director, Florida Association of Counties  
John Hofstad, President, Florida Association of County Managers

## **Board of County Commissioners Leon County, Florida**

### **Policy No. 07-2**

Title: Reserves

Date Adopted: September 16, 2008

Effective Date: September 16, 2008

Reference: N/A

Policy Superseded: Policy No. 07-2, "Reserves", adopted July 10, 2007; Policy No. 99-3, "Use of Contingency Reserves", adopted November 23, 1999; Policy No. 94-11, "Contingency Reserves and Mid-Fiscal Year Funding Requests from Outside Agencies," September 1994

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It shall be the policy of the Board of County Commissioners of Leon County, Florida, that:

Policy No. 07-2, "Reserves", adopted by the Board of County Commissioners on July 10, 2007, is hereby superseded, and a revised policy is hereby adopted in its place, to wit:

#### **1. Emergency Reserves**

- a. The general revenue emergency reserves will be maintained at an amount not to be less than 3% and to not exceed 8% of projected general fund and fine and forfeitures fund operating expenditures for the ensuing fiscal year.
- b. A Catastrophe Reserve will be maintained at 2% of the general fund and fine and forfeiture fund operating expenditures for the ensuing fiscal year. The Catastrophe Reserve will provide immediate cash flow for staff overtime, equipment, contractual support and materials/supplies in the event of a natural disaster.

In the event of a declared local state of emergency, the County Administrator is authorized to utilize the Catastrophe Reserve to pay Leon County solid waste and Leon County building/growth fees for eligible residents for the purpose of debris removal and home restoration/reconstruction. To be eligible, residents must demonstrate that all other means (including, but not limited to: FEMA Individual Assistance, property insurance) have been exhausted prior to seeking County assistance.

- c. The reserve for contingency is separate from the reserve for cash balances.
- d. Annually the Board will determine an appropriate amount of reserve for contingency to be appropriated as part of the annual budget. Any funds not included in the budget under this category will be included as part of the unreserved fund balance.

**2. Reserve for Cash Balances**

- a. The County will maintain an annual unappropriated reserve for cash balance at a level sufficient to maintain adequate cash flow and to eliminate the need for short-term borrowing.
- b. The unappropriated fund balance shall be no less than 10% and no greater than 20% of projected general fund and fine and forfeiture fund operating expenditures.
- c. The reserve for cash balance shall be separate from the emergency reserves.
- d. All major funds will retain sufficient cash balances to eliminate the need for short-term borrowing.

**3. Utilization of Fund Balance**

- a. As part of the annual budget process, a determination will be made of the minimum and maximum amounts of fund balance available based on the requirements set forth in Sections 1 and 2.
- b. Funds in excess of the minimums established can be utilized to support one time capital project funding and /or other one-time expenditures to address unforeseen revenue shortfalls.

**4. Budgeted Contingency Reserve**

Budgeted Reserve for Contingency reserves, are established to provide the following:

- a. Funding for authorized mid-year increases to adopted levels of service.
- b. Funding for unexpected increases in the cost of providing existing levels of service.
- c. Temporary and nonrecurring funding for unexpected projects.
- d. Funding of a local match for public or private grants.
- e. Funding to offset losses in revenue caused by actions of other governmental bodies.
- f. Funding to accommodate unexpected program mandates from other governmental bodies.

**5. Procedures**

- a. The County Administrator is authorized to develop forms and procedures to be used by outside agencies or individuals or County agencies in submitting their requests for use of contingency reserves.
- b. County agencies, including County departments and Constitutional Officers, requesting additional funding from the Board shall first submit their requests in writing to the County Administrator for full review and evaluation.
- c. After evaluation, all requests will be brought to the Board for consideration at a regularly scheduled meeting.
- d. Requests for use of reserves for contingency may be approved only by the Board of County Commissioners.

- e. The County's budget will be amended at such time the County Commission, by majority vote, authorizes reserves for contingency. All requests to the County Commission for the use of any reserves for contingency shall be accompanied by a "contingency statement" prepared by OMB showing the year-to-date activity on the reserves account as well as the current account balance and the net effect on the account of approving the use of reserves.

## **6. Evaluation Criteria**

- a. The Board will use the procedures and evaluation criteria set forth in this policy. The evaluation of funding requests shall include, but not be limited to the following:
  - ▶ consistency with other Board policy;
  - ▶ the urgency of the request;
  - ▶ the scope of services to be provided;
  - ▶ the short-term and long-term fiscal impact of the request;
  - ▶ a review of alternative methods of funding or providing the services;
  - ▶ a review for duplication of services with other agencies;
  - ▶ a review of efforts to secure non-County funding;
  - ▶ a discussion of why funding was not sought during the normal budget cycle; and
  - ▶ a review of the impact of not funding or delaying funding to the next fiscal year.

## **7. Exceptions**

- a. This policy is not intended to limit regular mid-year salary adjustment transfers from the salary adjustment contingency account, which is reviewed separately by the Board of County Commissioners on an annual basis.

**Leon County  
Board of County Commissioners**

**Notes for Workshop  
Agenda Item #2**

# Leon County Board of County Commissioners

## Budget Workshop Item #2

April 25, 2023

**To:** Honorable Chairman and Members of the Board

**From:** Vincent S. Long, County Administrator

**Title:** Joint City/County 2023 Fire Rescue Service Fees

<b>Review and Approval:</b>	Vincent S. Long, County Administrator
<b>Department/ Division Review:</b>	Alan Rosenzweig, Deputy County Administrator
<b>Lead Staff/ Project Team:</b>	Scott Ross, Director, Office of Financial Stewardship Roshaunda Bradley, Budget Manager

### **Statement of Issue:**

This item seeks Board approval to implement updated fire rescue assessments and fire rescue services fees in the unincorporated area of Leon County effective October 1, 2023 to provide adequate funding for fire rescue services in the unincorporated area.

### **Fiscal Impact:**

This item has a fiscal impact. The updated fire rescue assessments and fire rescue services fees will generate \$11.6 million annually. This is an annual increase of \$2.1 million generated from the imposition of the existing rates.

### **Staff Recommendation:**

- Option #1: Direct staff to prepare an updated Rate Resolution to adopt the Fire Rescue Assessments and Fire rescue services fees at the July 11, 2023 meeting.
- Option #2: As required by Section 197.3632(4)(a) and (b), Florida Statutes, authorize mailing of first-class notices to property owners regarding proposed changes to the fire rescue assessments and authorize scheduling a Public Hearing on July 11, 2023 to impose the updated assessments and to place the assessments on the tax bill if applicable.
- Option #3: Direct staff to amend the Fire Rescue Services Interlocal Agreement with the City of Tallahassee based on the terms discussed in this item and authorize the Chairman to execute the updated agreement subject to legal review by the County Attorney.

## **Report and Discussion**

### **Background:**

Pursuant to section 125.01(1)(d), Florida Statutes (F.S.), counties are authorized to provide fire protection services. As discussed in further detail below, since 1988 the County has been providing fire protection services in the unincorporated area by contracting with the City of Tallahassee (Interlocal Agreement). Consistent with section 125.01(1)(r), F.S., and Chapter 7, Article IV of the Leon County Code of Laws, fire rescue services are funded through a fire rescue assessment charged to residential, commercial, and industrial/warehouse, and a fire rescue services user fee is charged to government property. (Please note, although there is a distinction between special assessments and user fees, as discussed in more detail below, for ease of reference the term “assessment” may be used throughout this item for the charge to all properties.)

The funding of fire rescue services through a dedicated assessment is a common approach used by numerous cities and counties throughout Florida. This funding method is legally defensible as it directly ties the cost of the service to the property benefiting from the service. This method of assessment also ensures funding transparency to the taxpayer, while providing a dedicated consistent revenue source to fund this critical service. Pursuant to the Interlocal Agreement, the County, and the City of Tallahassee (City) both charge a fire rescue assessment, and the County is obligated to pay the City for fire rescue services provided in the unincorporated area of the County. The fire rescue assessments levied in the unincorporated area are collected, and except for small portion of funding for the Volunteer Fire Departments, are remitted to the City.

As previously planned and consistent with the Interlocal Agreement, during last year’s budget development process the Board approved the County and the City preparing an updated fire rescue assessment rate study to determine rates to fund fire rescue services. This item presents the results of the updated fire rescue assessment study, including recommended rates for residential, commercial, industrial/warehouse, and government properties, and seeks Board approval to proceed with implementing the new rates effective October 1, 2023 (Attachment #1). The last fire rescue assessment rate study was completed in 2015, and the rates in the unincorporated area have not changed since FY 2018.

As the result of increasing costs at the TFD, the current rates are insufficient to pay for the actual costs of providing fire rescue services in the unincorporated area. Without a rate increase, additional general revenue would need to be identified to pay the City for fire rescue services provided in the unincorporated area; this would require significant operating budget and/or capital project reductions elsewhere in the County budget.

The County has a long history of contracting with the City for the provision of fire rescue services in the unincorporated area of the County. The City and County initially contracted for these services in March 1988. Subsequently in 2009, to ensure the long-term provision of fire rescue services in the unincorporated area, and to enhance the City Fire Department’s Advanced Life Support (ALS) response efforts, the County and City entered into an Interlocal Agreement for the provision of fire rescue services and ALS. As specified in the Interlocal Agreement, the City provides fire rescue services in the unincorporated areas of the County, and every five years the

City and County jointly develop and implement the necessary assessment to fund fire rescue services.

To provide funding for fire rescue services through an assessment, a legally defensible methodology for establishing the assessments must be done through a rate study. Due to the complexity of rate development and assessment laws, to ensure that an assessment is legally defensible, independent consultants who specialize in assessments and can defend their methodology in court are used to develop rates.

The first fire rescue assessment study was done in 2009 and the related assessments enacted in FY 2010. According to the Interlocal Agreement, these rate studies may be done every five years (Attachment #2). The most current rate study was performed in 2015 where a rate increase was recommended. To provide taxpayer relief, the County delayed implementing the recommended rates for two years. This was accomplished by using one-time funds to subsidize the City fire rescue services payments. Accordingly, the new rates were delayed until FY 2018.

Consistent with the five-year schedule, a new rate study was initially planned for 2021; however, due to the impacts of the COVID pandemic, the City and the County concurred in delaying a fire rescue assessment study or rate increase for at least one year. To ensure adequate funding for the City Fire Department, the Interlocal Agreement was amended to require the County to make increased fire service payments to the City for two years, and to require a fire rescue assessment study be conducted and implemented by FY 2024 (Attachment #3). For this interim period, one-time general revenue available from retired debt service payments (\$1.4 million in FY 2022 and \$1.6 million in 2023) was used to support the increased payment. In keeping with the Interlocal Agreement, a joint City/County fire service fee study was done over the past year.

The results of the fire rescue services assessment study discussed in the analysis recommends increasing rates for FY 2024. The rates will remain in effect for a minimum of five years. As planned, these new assessments would eliminate the general revenue subsidy used over the past two fiscal years to pay for fire rescue services.

### **Analysis:**

To levy a special assessment there are two requirements: (1) the property assessed must derive a special benefit from the improvement or service provided; and (2) the assessment must be fairly and reasonably apportioned among the properties that receive the special benefit. In other words, there must be a logical relationship between the services provided and the benefit to the real property. Many assessed services, including fire rescue services, have been upheld as providing the requisite special benefit.

By contrast, as stated in Attachment #1, page 23, “[t]he Florida Attorney General has recognized that state-owned property is not required to pay a special assessment without legislative authorization but that such authorization is not needed for user fees or service charges.” Accordingly, unlike special assessments which have mandatory payment requirements, user fees are paid by choice in exchange for a governmental service, and the payor has the option of not using the governmental service and thereby avoiding the charge.

The County and the City engaged Government Services Group Inc. (GSG), an industry leader in the development of assessment and fee studies throughout Florida, to prepare the attached rate study to establish rates sufficient to support the projected TFD budget for the period FY 2024 through FY 2029. This item recommends proceeding with implementing the rates as proposed by GSG.

The rate study is based on the TFD's projected five-year budget. The five-year projected budget includes costs for all current stations, as well as the associated operating, personnel, equipment, and maintenance costs for the new Station #17 at Lake Bradford Road.

To calculate the rates, the consultant first determines that portion of the TFD budget that is "assessable." Costs in the budget associated with the provision of fire services only, less any offsetting revenues the TFD may receive, are assessable. For example, TFD costs to provide ALS services and fire protection at the airport and to conduct inspections would be paid by other revenue sources and have not been included in TFD costs for purposes of developing the rate study.

The study contemplates establishing a level rate based on the average assessable budget over the next five years. The portion of the TFD budget that is assessable is an average of \$51.42 million annually for the next five years. Of this amount, the unincorporated area of the County is responsible for approximately \$11.6 million or 22% of the budget.

The methodology used in the study is consistent with previous fire rescue assessment studies. The study uses two distinct service zones, each with their own rates. The two service zones are based on proximity to core stations. Core stations are defined as stations that are within five road miles of two other stations. Given this definition of "core station", properties are then assigned to either Zone 1 or Zone 2:

- Zone 1: Properties located within five road miles of two core stations
- Zone 2: Properties located outside of five road miles of two core stations

While the City and unincorporated area of the County have both Zone 1 and Zone 2 categories, properties in Zone 1 are primarily in the City, while properties in Zone 2 are primarily in the unincorporated area of the County. Assessable costs are allocated between the two zones based on calls for service.

To calculate the assessments, the fire rescue costs are allocated to the different categories of property (residential, commercial, industrial/warehouse, and governmental) based on the historical demand for services.

The recommended assessments for each Zone and category are provided below:

#### Residential Property Assessments

Table 1 shows the current and proposed residential fire rescue services assessments for Zone 1 and Zone 2 in the unincorporated area of the County. The assessment is established per residential

unit, whether the unit is a detached single-family residence or a multi-family dwelling unit. All residential units are charged the same fee.

**Table 1: Current and Proposed Residential Fire Assessments**

	<b># of Units Unincorporated</b>	<b>Current Assessment</b>	<b>Proposed Assessment</b>	<b>Annual Increase</b>	<b>Monthly Increase</b>	<b>% Increase</b>
<b>Zone 1</b>	7,848	\$201	\$245	\$44	\$3.67	22%
<b>Zone 2</b>	32,927	\$185	\$223	\$38	\$3.17	21%

The current rates have been in place since FY 2018 and have remained unchanged for more than five years. If approved, the proposed rates are calculated to fully cover assessable costs over the next five years. As shown in the table, the rate increase of Zone 2, which represents the largest number of properties would be 18%, the lowest increase for any of the categories.

#### Non-Residential Property Assessments

Like residential properties, for non-residential properties the study establishes rates based on call volume distribution per zone and category. Non-residential property assessments are levied for commercial and industrial/warehouse categories. Attachment #4 provides a detailed analysis of the specific rates for each non-residential category. Table #2 provides the current and proposed rate changes for the non-residential categories.

**Table 2: Non-residential Current and Proposed Fire Assessment Changes**

	<b>Zone 1</b>		<b>Zone 2</b>	
	<b># Properties</b>	<b>% Change</b>	<b># Properties</b>	<b>% Change</b>
<b>Commercial</b>	380	31%	537	34%
<b>Industrial/Warehouse</b>	125	124%	213	50%

As reflected in Table #2 and Attachment #2, the changes for the non-residential categories vary greatly by zone and category. The specific rates shown in Attachment #2 are tiered by the square footage of the building, with smaller square footage buildings paying less than larger buildings.

Like residential, most of the businesses in the unincorporated area are in Zone 2. Non-residential properties in the unincorporated area will see increases ranging from 31% to 124%. To calculate the rates, the costs are allocated to the categories based on the historical calls for service. The increased rates are a factor of overall increased cost for fire rescue services and an increase in the number of calls for service to a particular category. In addition, for industrial/warehouse, the overall number of units has decreased from the previous study as some properties have redeveloped and are now classified as either residential or commercial. This reduction in the number of units means there are less properties paying the increased cost of the service allocated to this category.

#### Governmental Fee

Consistent with the previous studies, the consultant continues to recommend levying a fire rescue fee on governmental property. The proposed fire rescue fee is \$0.267 per square foot. This is an

increase of \$.057 per square foot. According to the study, the total fee to provide fire service to governmental property, including state buildings, universities buildings, etc., is 6.0 million. Most of the governmental property is located within the City limits; \$203,829 will be paid by governmental properties located in the unincorporated area of the County.

The total revenue to be collected by levying all the recommended new rates is \$11.6 million, which is further detailed in the next section.

#### Revenue Summary

Table 3 provides a summary of the total revenue generated from the fire rescue assessment for both the current and proposed rates. As shown in the table, most of the revenue is derived from residential payers. This is a direct result of residential properties accounting for most of the calls for fire rescue service.

**Table 3: Unincorporated Area Fire Assessment Revenue**

Category	Current Revenue	Proposed Revenue
Residential	\$7,672,643	\$9,268,600
Commercial	\$1,468,315	\$1,946,072
Industrial/Warehouse	\$177,132	\$219,839
Governmental	\$160,314	\$203,829
<b>Total Assessment Revenue</b>	<b>\$9,478,404</b>	<b>\$11,638,340</b>
Plus General Revenue	\$1,600,000	0
<b>Total Payment to City</b>	<b>\$11,078,404</b>	<b>\$11,638,340</b>

As planned, implementing the proposed fire rescue services rates provides a dedicated funding source for fire rescue services and allows for the elimination of the general revenue subsidy used over the last two fiscal years to assist in funding this service. As reflected, adopting the new rates will fully fund fire rescue services in the unincorporated area for the next five years.

#### Next Steps

Pursuant to Section 197.3632(4)(a) and (b), F.S., a public hearing is required to levy the updated assessment utilizing the uniform method for the levy, collection, and enforcement of non-ad valorem assessments (the “Uniform Method”). The Uniform Method is additional authority to impose and collect special assessments supplemental to the County’s home rule powers and other applicable law. Annually, the Board conducts public hearings to adopt the fire rescue services, stormwater, and solid waste disposal assessment rolls. These public hearings are typically conducted in July of each year, which allows for the non-ad valorem assessments to appear on the TRIM (Truth-In-Millage) notices sent to property owners in August. This year, the rolls will be presented for Board approval at the July 11, 2023 meeting.

Consistent with the Uniform Method, to levy an increase in the assessment for those paying on their tax bill, a first-class mail notice is required to be mailed to these property owners in the unincorporated area at least 20 days before the hearing to inform them of the proposed increase and the date and time of the public hearing.

In addition, an amendment of the Interlocal Agreement to reference the new rate study is recommended. Also, the Interlocal Agreement currently expires on October 1, 2025, and it is recommended that the term of the Interlocal Agreement be extended for an additional three years to align the Interlocal Agreement and the next five-year TFD budget period funded by the proposed new fire rescue assessment rates. Consistent with the existing agreement, future five-year extensions are recommended and the authority to develop a new rate study at the end of the first five-year period.

### **Conclusion**

The provision of fire rescue services in the unincorporated area of the County is a paramount public purpose for the County. The County has previously determined that fire rescue services for the unincorporated area shall be provided by the TFD. Pursuant to the Interlocal Agreement, the County is obligated to pay for its share of the TFD budget for the provision of fire rescue services in the unincorporated area.

This item recommends conducting a public hearing on July 11, 2023 to proceed with implementing the proposed new rates. Proceeding with this next step provides certainty as the County continues to develop its FY 2024 budget. Without implementing the recommended new rates, significant reductions in the operating and/or capital budget would be necessary to pay gap funding to the City for the provision of fire rescue services in the unincorporated area.

### **Options:**

1. Direct staff to prepare an updated Rate Resolution to adopt the Fire Rescue Assessments and Fire rescue services Fees at the July 11, 2023 meeting.
2. As required by Section 197.3632(4)(a) and (b), Florida Statutes, authorize mailing of first-class notices to property owners regarding proposed changes to the fire rescue assessments and authorize scheduling a Public Hearing on July 11, 2023 to impose the updated assessments and to place the assessments on the tax bill if applicable.
3. Direct staff to amend the Fire Rescue Services Interlocal Agreement with the City of Tallahassee based on the terms discussed in this item and authorize the Chairman to execute the updated agreement subject to legal review by the County Attorney.
4. Board direction.

### **Recommendation:**

Options #1 through #3

### **Attachments:**

1. April 2023, GSG Fire rescue services Fee Rate Study
2. Fire Services Interlocal Agreement
3. Amended Fire Services Interlocal Agreement
4. Non-Residential Rate Comparison

# City of Tallahassee and Leon County, Florida

## Fire Assessment Memorandum

APRIL 2023

**Presented by:**  
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# Appendices

Appendix A—Situation Found Codes and Descriptions

Appendix B—Fixed Property Use Codes and Descriptions

Appendix C—Leon County Property Appraiser Building Improvement Codes and Use Descriptions with  
Assignment of Property Use Category

Appendix D—Department of Revenue (DOR) Codes

Appendix E—Map of Service Zones

# Introduction

The City of Tallahassee (City) and Leon County (County) entered into a professional services agreement with Government Services Group, Inc., an Anser Advisory Company (GSG) to provide specialized services in the development and implementation of a non-ad valorem assessment program to fund fire services within the incorporated and unincorporated areas of the County (Fire Assessment Project).

The objective of this Fire Assessment Project is to develop and implement an update to the City's current revenue program capable of efficiently and effectively collecting all assessable and billable costs associated with providing fire services on an annual basis throughout the entire County for Fiscal Year 2023-24 and future fiscal years. The mechanism for collecting the fire fee from governmental properties will remain in effect, however both the City and County will utilize the City's utility bill as the collection method for all non-governmental properties where possible and the City will assist the County in the collection of the fire assessment utilizing the utility bill, tax bill, and separate bills. This document is the Fire Assessment Memorandum (Assessment Memorandum), which is one of the project deliverables specified in the scope of services.

The work effort, documented by this Assessment Memorandum, focused on the calculation of assessment rates and classifications required to fully fund the identified assessable costs to provide countywide fire services for Fiscal Year 2023-24 and future fiscal years. However, the City and County have the choice of funding all or only a portion of the assessable costs based on policy direction. In addition, the work effort recorded in this Assessment Memorandum required the identification of the full costs of assessable fire services (net of all fire related revenues) and the allocation of those costs to properties that specially benefit from the provision of such fire services.

## BACKGROUND

In 1999, the City adopted a fire services funding program consisting of two components: a Fire Fee and a Fire Assessment. The goal of the Fire Services Funding Project in 1999 was to design an alternative revenue program capable of efficiently and effectively collecting all assessable and billable costs associated with providing fire services on an annual basis. The Fire Fee is the funding mechanism that secures recovery of the cost for providing fire services to governmental property. The Fire Assessment is the funding mechanism for non-government property that could be collected on the City's utility bill. The program was updated to account for changes in call data, property data and service delivery in 2004, 2009, and 2015.

## OBJECTIVES

The City retained GSG to develop an annual recurring special assessment program that is capable of funding all of the assessable costs associated with providing countywide fire services. The City will utilize the utility bill for collection of the fire assessment and will assist the County in the collection of the fire assessment utilizing the utility bill, the tax bill, and separate bills. GSG has been charged to fully cost the services to be provided by the City, develop a fair and reasonable apportionment methodology for such

assessable costs, and determine assessment rates and parcel classifications that are accurate, fair and reasonable.

The fire non-ad valorem assessments must meet the Florida case law requirements for a valid special assessment. These requirements include the following:

1. The service provided must confer a special benefit to the property being assessed; and
2. The costs assessed must be fairly and reasonably apportioned among the properties that receive the special benefit.

The work effort of this project required the evaluation of data obtained from the City and the County to develop a fire assessment program that focuses upon the projected Fiscal Year 2023-24 assessable cost calculations. The objectives of this initial effort were to:

- Determine the full costs of providing fire services within the County.
- Review such final cost determination with the City to determine which elements provide the requisite special benefit to the assessed properties.
- Determine the relative benefit anticipated to be derived by categories of property use within the County from the delivery of fire services.
- Recommend the fair and reasonable apportionment of assessable costs among benefited parcels within each category of property use.
- Calculate assessment rates and parcel classifications for Fiscal Year 2023-24 and future years based on the projected Fiscal Year 2023-24 through Fiscal Year 2027-28 Fire Department budget provided by the City and associated assessable costs developed by GSG.

# Service Description

Fire Rescue services are provided throughout the County from 17<sup>1</sup> paid fire rescue stations and 6 volunteer stations. Two of the volunteer stations are co-located at Stations 15 and 10. Table 1 identifies fire rescue buildings/facilities inventory, as well as the corresponding physical location address for the facility.

**Table 1**  
**Fire Rescue Department Buildings/Facility Inventory**

Station	Address
Station #1	327 North Adams Street, Tallahassee
Station #2	2805 Sharer Road, Tallahassee
Station #3	3005 South Monroe Street, Tallahassee
Station #4	2899 West Pensacola Street, Tallahassee
Station #5	3238 Capital Circle Southwest, Tallahassee
Station #6	2901 Apalachee Parkway, Tallahassee
Station #7	2805 Shamrock South, Tallahassee
Station #8	2423 Hartsfield Road, Tallahassee
Station #9	3209 Thomasville Road, Tallahassee
Station #10	5323 Tower Road, Tallahassee
Station #11	8752 Centerville Road, Tallahassee
Station #12	4701 Chaires Cross Road, Tallahassee
Station #13	1555 Oak Ridge Road East, Tallahassee
Station #14	16614 Blountstown Highway, Tallahassee
Station #15	1445 Bannerman Road, Tallahassee
Station #16	913 Easterwood Drive, Tallahassee
Station #17	1815 Lake Bradford Road, Tallahassee
Miccosukee (County-Volunteer)	15013 Cromartic Road, Tallahassee
Bradfordville (County-Volunteer) (Co-located at Station #15)	1445 Bannerman Road Tallahassee
Lake Jackson (County-Volunteer) (Co-located at Station #10)	5323 Tower Road, Tallahassee
Chaires-Capitola (County-Volunteer)	6370 Williams Road, Tallahassee
Woodville (County-Volunteer)	155 East Oakridge, Tallahassee
Lake Talquin (County-Volunteer)	16614 Blountstown Highway, Tallahassee

Source: City of Tallahassee

The City of Tallahassee Fire Rescue Department provides standard fire suppression, medical services, hazmat response, technical rescue, airport capabilities, state disaster response, emergency response and

<sup>1</sup> Station 17 is anticipated to be operational by the end of 2023.

disaster preparedness, fire prevention and safety education.

The City has an interlocal agreement with Leon County to provide fire protection services within the unincorporated area of the County. The County compensates the City for these services with collections from the fire service assessment in the unincorporated areas of the County.

The County has an interlocal agreement with the City to provide ALS and transport EMS services to the incorporated area of the City. The City compensates the County for these services by providing for the inclusion of the territorial boundaries of the City within the EMS Municipal Services Taxing Unit (MSTU) of the County. However, the City provides provide Advanced Life Support (ALS) services in coordination with Leon County EMS. The County compensates the City for these services.

Dispatch services for fire and EMS services are provided through a joint dispatch operation between the City and the County.

Tables 2 through 5 outline the Fire Rescue Department's current service operations and service components. Table 2 outlines the Fire Rescue Department's organizational structure.

**Table 2**  
**City of Tallahassee Fire Rescue Department Organizational Chart**

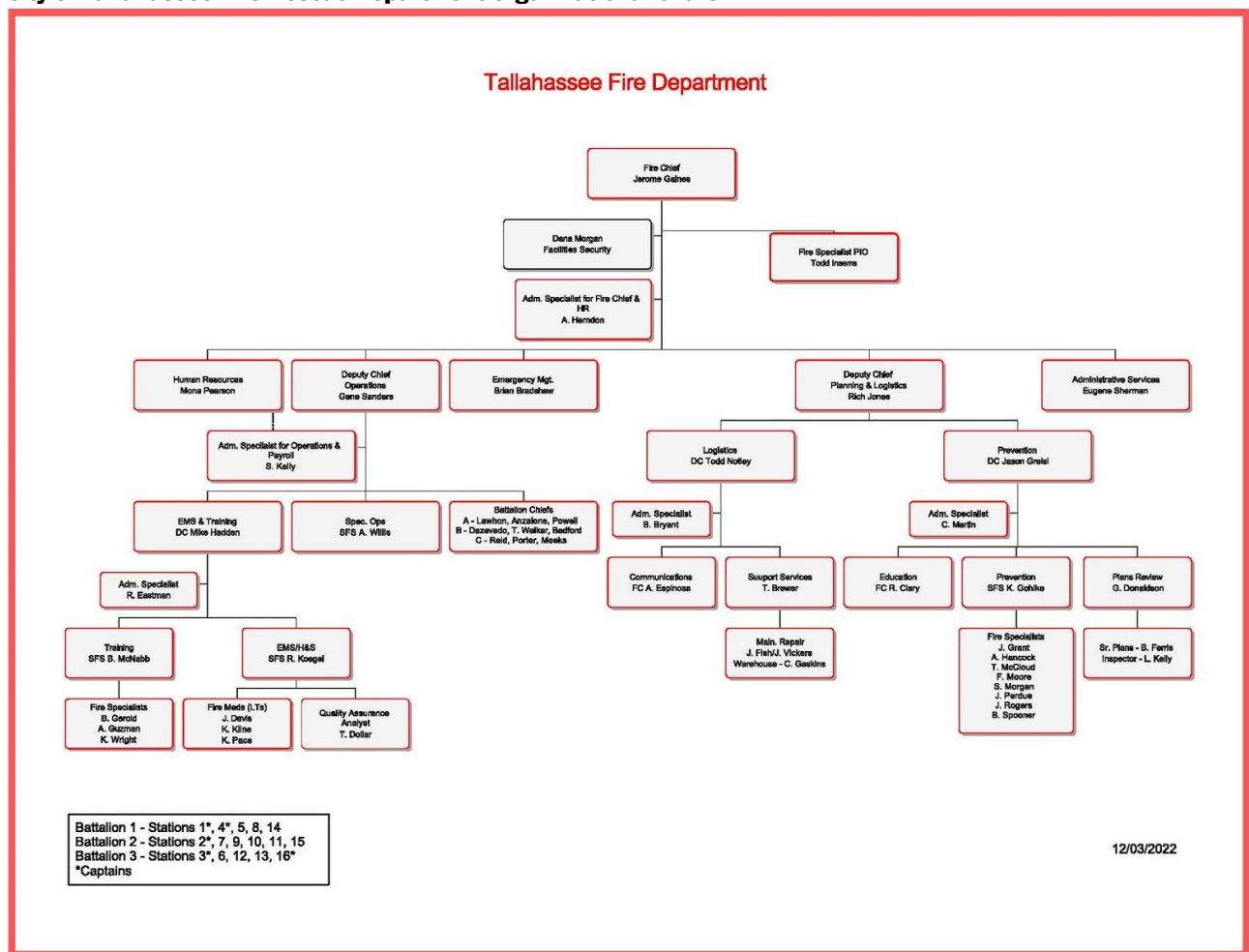


Table 3 describes the normal staffing for each apparatus. This information is used in the development of the Administrative Factor, as further discussed in the “Development of Factors” section of this Assessment Memorandum.

**Table 3**  
**Fire Rescue Department Apparatus Normal Staffing Requirements**

Apparatus	Typical Staffing
Engine	4 personnel
Chevy Tahoe/Battalion Chief	1 personnel
Rescue	2 Personnel
Truck	4 Personnel
Tanker	1 Personnel
Airport	1 Personnel

Source: City of Tallahassee

Table 4 lists the location and the fire flow/pumping capacity of the Fire Rescue Department's apparatus. This information is used to determine the square footage cap for non-residential properties.

**Table 4**  
**Fire Rescue Department Apparatus Fire Flow**

Location	Apparatus	Fire Flow (GPM)
Station 1	2022 E-One Tanker	1,500
	1996 E-One International Air and Light	N/A
	2014 Pierce Impel Pumper	1,500
	2021 E-One 100' Platform	1,500
	2017 Chevy Tahoe	N/A
	2014 E-One Impel Pumper	1,500
Station 2	2017 Hackney Tractor Trailer Haz-Mat	N/A
	2016 Chevy Tahoe	N/A
	2018 E-One 100' Platform	1,500
	2020 Ford F-550 Brush Truck	350
	2017 E-One Typhoon Pumper	1,500
Station 3	1994 Rescue-1 Boat	N/A
	2005 Ford-550 HazMat Tow Vehicle	N/A
	1997 E-One Medium Rescue	N/A
	2014 Pierce Impel 75 ft. Aerial	1,500
	2016 Chevy Tahoe	N/A
	2017 E-One Typhoon Pumper	1,500
Station 4	2010 Rescue -1 Boat	N/A
	2018 E-One 100' Aerial	1,500
	1996 E-One International Rescue Squad	500
	1998 16ft. Trailer	N/A
	2002 Ford F-550 Brush Truck	350
	2022 E-One Typhoon Pumper	1,500
	2005 International 4X4 Tractor	N/A
	2005 Hackney Trailer	N/A
	2005 E-One International Air Light Truck	N/A

Location	Apparatus	Fire Flow (GPM)
Station 5*	2015 Oshkosh Stinger F-550 ARFF	500
	2010 E-One Titan Force ARFF	3,300
	2014 Oshkosh Striker 3000	3,300
Station 6	2017 E-One Typhoon Pumper	1,500
Station 7	2019 E-One Typhoon Pumper	1,500
Station 8	2017 E-One Typhoon Pumper	1,500
Station 9	2015 Pierce Impel Pumper	1,500
Station 10	2015 Pierce Impel Pumper	1,500
Station 11	2019 E-One International Tanker/Pumper	1,500
	2015 Pierce F-550 Rescue	650
Station 12	2019 E-One International Tanker/Pumper	1,500
	2016 Pierce F-550 Rescue	650
Station 13	2020 E-One International Tanker/Pumper	1,500
	2015 Pierce F-550 Rescue	650
Station 14	1994 Rescue-1 Boat	N/A
	2016 Pierce F-550 Rescue	650
	2020 E-One International Tanker/Pumper	1,500
Station 15	2020 Gator Tail Boat	N/A
	2019 Ford F-550 Brush Truck	350
	2019 E-One Typhoon Pumper	1,500
Station 16	2015 Pierce Impel 100' Tower	1,500
	2015 Pierce Impel Pumper	1,500
	2019 Ford F-550 Brush Truck	350
	1994 Rescue-1 Boat	N/A
<b>Total GPM</b>		<b>37,500</b>

Source: City of Tallahassee

\* Pumping capacity for Station 5 is not included in total because those apparatus are dedicated to the airport.

The current pumping capacity is defined as the combined amount of water that all apparatus in the Fire Rescue Department can pump to a first alarm non-residential fire. As outlined by Table 4 above, the pumping capacity of the City's Fire Rescue Department is 37,500 gallons per minute. Accordingly, based on National Fire Protection Association firefighting standards for fire flow as provided for in NFPA 1 Fire Code, 2015, Chapter 18 (assuming ordinary construction), the Fire Rescue Department currently has sufficient fire flow capacity to provide service coverage in the event of a structure fire involving unlimited square feet.

Table 5 below details the Fire Rescue Department's response protocol.

**Table 5**  
**Minimum Response Protocol**

<b>Call Type</b>	<b>Typical City Response</b>
Medical	Engine (1)
Vehicle Accident	Engine (1)
Vehicle Accident with Extraction	Engines (2), FireMed (1), Battalion Chief (1)
Residential Fire (single)	Engines (3), Truck (1), Battalion Chiefs (2), FireMed (1)
Residential Structure (multiple)	Engines (4), Truck (1), Battalion Chiefs (2), FireMed (1)
Residential/Building Alarm	Engine (1)
Commercial Fire	Engines (4), Truck (1), FireMed (1), Battalion Chiefs (2)
Hazardous Material	Engines (2), Haz-Mat (1), FireMed (1), Battalion Chief (1)
Service Calls	Engine (1)
<b>Call Type</b>	<b>Typical County Response</b>
Medical	Rescue (1), Tanker (1)
Vehicle Accident	Rescue (1), Tanker (1)
Vehicle Accident with Extraction	Rescue (1), Tanker (1), FireMed (1), Battalion Chief (1), Engine (1)
Residential Fire (single)	Rescue (1), Tanker (1), FireMed (1), Battalion Chiefs (2), TA1 (1), Engines (2), Truck (1)
Residential Structure (multiple)	Rescue (1), Tanker (1), FireMed (1), Battalion Chiefs (2), TA1 (1), Engines (3), Truck (1)
Residential/Building Alarm	Rescue (1), Tanker (1)
Commercial Fire	Rescue (1), Tanker (1), FireMed (1), Battalion Chiefs (2), TA1 (1), Engines (3), Truck (1)
Hazardous Material	Rescue (1), Tanker (1), HazMat (1), FireMed (1), Battalion Chief (1), Engine (1)
Service Calls	Rescue (1), Tanker (1)

Source: City of Tallahassee

# Assessable Cost Calculations

The cost calculations, apportionment methodology and assessable rates developed apply to the fire services serving the unincorporated area of Leon County and the incorporated area of the City of Tallahassee.

## DEVELOPMENT OF FACTORS

### FIRE RESCUE V. EMERGENCY MEDICAL SERVICES

In June 2000, litigation over the City of North Lauderdale fire rescue assessment program resulted in a decision by the Fourth District Court of Appeals in the case of SMM Properties, Inc. v. City of North Lauderdale, (the “North Lauderdale” case). The Fourth District Court of Appeals concluded that Emergency Medical Services (EMS) did not provide a special benefit to property. The Court, however, reaffirmed that fire suppression, fire prevention, fire/building inspections and first response medical services do provide a special benefit to property. In 2002, the Florida Supreme Court upheld the decision of the Fourth District Court of Appeals.

To address these concerns, GSG developed a methodology that removed the costs associated with emergency medical services. This method of splitting the fire and EMS portions of a consolidated public safety department’s budget was upheld by the Fourth District Court of Appeals in Desiderio Corporation, et al. vs. The City of Boynton Beach, Florida, et al., 39 So.3d 487 (Fla. 4<sup>th</sup> DCA 2010).

The proposed fire rescue department’s line-item costs were allocated between fire rescue and emergency medical services as a result of the Florida Supreme Court’s opinion in City of North Lauderdale v. SMM Properties that emergency medical services (above the level of first response) do not provide a special benefit to property. Accordingly, the City’s fire rescue costs were split from emergency medical service costs based on the following general guidelines.

### DIRECT ALLOCATIONS

To the extent that certain line items could be allocated directly to fire, direct allocations were made. For example, all costs associated with “Fire Prevention”, “Fire Plans Review” and “Contractual Svc – VFD County” were allocated entirely to fire. All costs directly related to “Medical Services” were directly allocated to EMS.

### ADMINISTRATIVE FACTOR

Certain line items were allocated between fire and EMS based on an Administrative Factor. This Administrative Factor is derived by creating a ratio between non-EMS or fire personnel and total combat personnel per shift. The administrative factor calculations are based on the City’s total Fire Rescue Department combat personnel staffing, including an allocation for volunteers. Under normal staffing, this results in 87 non-EMS personnel and 19 EMS personnel for a total of 106 combat personnel. This normal staffing yields an 82.08 % percent non-EMS Administrative Factor.

This percentage was applied to all applicable line items to allocate the costs that could not be directly allocated as fire costs or EMS costs, and that could not be operationally allocated (see below). For example, the Administrative Factor was applied to the line-item expenditures for salaries and benefits, “Uniforms and Clothing”, and “Utilities - Electric” to determine the fire service costs of these line items.

## OPERATIONAL FACTOR

Other line items were allocated between fire and EMS based on an Operational Factor. The Operational Factor is derived by creating a ratio between non-EMS (i.e., fire) calls and EMS calls, and this ratio which is based on the City's Fire Rescue Department's operations, was then applied to certain budget line items such as "Equipment Repairs" and "Gasoline".

To develop the Operational Factor, GSG obtained fire rescue incident data identifying the number of fire rescue calls made to property categories within the entire County over a three-year period. The City fire rescue incident data was used to determine the demand for fire rescue services. GSG obtained information from the City in an electronic format, identifying the number and type of fire rescue incident responses for a three-year period July 1, 2019 through June 30, 2022.

The State Fire Marshal's office uses the Florida Fire Incident Reporting System (FFIRS). This system is a tool for fire rescue departments to report and maintain computerized records of fire rescue incidents and other department activities in a uniform manner. Under this system, a series of basic phrases with code numbers are used to describe fire rescue incidents. Appendix A provides a codes list for the "type of situation found" as recorded on the fire rescue incident reports used to identify EMS and non-EMS calls.

The ratio between non-EMS (i.e., fire) calls and EMS calls is then applied to all applicable line items to allocate the costs that could not be directly allocated as fire costs or EMS costs, and that could not be administratively allocated. For the three-year period, the City reported 66,575 total fire rescue incident calls to FFIRS, of which 18,563 were non-EMS (i.e. fire) calls and 48,012 were EMS calls. This information results in a 27.88% non-EMS Operational Factor.

## ASSESSABLE COST CALCULATIONS

The fire services assessable cost calculations for Fiscal Years 2023-24 through 2027-28 are based on the following assumptions for the purpose of this Fire Assessment Memorandum.

- Actual projected expenditures and revenues were provided by the City for Fiscal Years 2023-24 through 2027-28.
- Revenues are shown as a reduction of the total projected expenditures for each fiscal year, thereby reducing the total assessable costs for that year. Revenues are comprised of revenues directly received from or for the delivery of fire services, such as "Fire Inspection Fees," "Forfeited Discounts," "Firefighters Supplemental Comp," and contract for service revenues that are allocated to the fire budget.
- All costs associated with providing contract services to the Tallahassee Regional Airport were included in the assessable budget with the corresponding contract revenues removed from the assessable budget calculations.
- The line item "Statutory Discount & Undercollection" under "Additional Costs" reflects a 95% collection rate of the Fire Services Assessment.
- The costs associated with supporting the volunteer fire departments were included as 100% fire costs and are included in the assessable budget.

Table 6 provides a calculation of the assessable costs for Fiscal Year 2023-24 based on an application of the above factors to the Fiscal Year 2023-24 Projected Budget. The calculation yields an assessable cost of \$47,481,665 for Fiscal Year 2023-24.

**Table 6**  
**Fire Services Assessable Cost Calculations (FY 2023-24)**

	<b>FY23-24 Budget</b>	<b>FY23-24 Assessable</b>
<b>Expenditures</b>		
<b>Personnel Services</b>		
Salaries	24,212,689	20,236,470
Salary Enhancements	1,096,598	916,672
Firefighter Holiday Pay	809,046	674,568
Overtime	1,317,005	1,101,071
Other Salary Items	669,818	556,550
Pension- Current	8,246,987	6,866,071
Pension- MAP	121,924	104,320
Mandatory Medicare	370,328	309,426
Health Benefits	3,911,866	3,259,873
Health Benefits - OPEB	244,969	201,059
Flex Benefits	52,499	45,069
Vacancy Factor of 3%	-355,971	-296,268
<b>Total Personnel Services</b>	<b>\$40,697,758</b>	<b>\$33,974,882</b>
<b>Operating Expenses</b>		
Advertising	1,689	1,386
Cleaning & Laundry	14,525	12,981
Reproduction	5,658	2,479
Equipment Repairs	47,402	11,687
Medical Services	102,700	1,568
Construction Services	10,457	8,583
Unclassified Contractual Svcs	352,574	205,745
Contractual Svc - VFD County	504,518	504,518
Contractual Svc - Other	400,000	400,000
Computer Software	3,294	2,704
Telephone	23,579	18,244
Chem-Med-Lab	105,961	3,839
Food	1,266	1,039
Gasoline	866	341
Office Supplies	21,700	16,672
Uniforms & Clothing	458,907	376,752
Unclassified Supplies	176,519	124,039
Non-Capital- Furniture & Equip	837	837
Travel & Training	77,756	52,737
Journals & Books	17,949	15,831
Memberships	4,191	3,195
Certificates & Licenses	2,404	600
Rent Expense- Machines	10,449	8,576
Unclassified Charges	54,898	45,058
<b>Total Operating Expenses</b>	<b>\$2,400,099</b>	<b>\$1,819,412</b>
<b>Other Services &amp; Charges</b>		
Bad Debt Expense	168,736	168,736
<b>Total Other Services &amp; Charges</b>	<b>\$168,736</b>	<b>\$168,736</b>
<b>Capital Outlay</b>		

	<b>FY23-24 Budget</b>	<b>FY23-24 Assessable</b>
Computer Equipment	1,255	1,255
Vehicle Equipment	166,666	164,743
Unclassified Equipment	184,324	162,957
<b>Total Capital Outlay</b>	<b>\$352,245</b>	<b>\$328,956</b>
<b>Internal Service Funds</b>		
Human Resource Expense	491,633	406,145
Accounting Expense	220,228	183,621
Purchasing Expense	63,410	52,174
Information Systems Expense	2,497,035	2,060,901
Risk Management Expense	409,185	337,415
Radio Communications Expense	203,023	166,632
Revenue Collection	424,465	424,465
Utility Services Expense	1,884,299	1,884,299
Facilities and Environmental	48,050	39,837
Vehicle Garage Expense	1,237,218	376,947
Vehicle Fuel	205,018	59,565
Vehicle Replacement	3,111,004	924,775
Indirect Costs	559,824	468,068
Community Relations Expense	192,731	158,185
Diversity and Inclusion Expense	119,267	98,528
<b>Total Internal Service Funds</b>	<b>\$11,666,390</b>	<b>\$7,641,559</b>
<b>Utilities and Other Expenses</b>		
Utilities - Sewer	34,336	28,527
Utilities - Sanitation	18,865	15,745
Utilities - Stormwater	23,549	19,379
Utilities - Gas	40,049	32,870
Utilities - Water	27,701	22,857
Utilities - Electric	207,817	173,586
Utilities - Fire Services	51,003	41,861
<b>Total Utilities and Other Expenses</b>	<b>\$403,320</b>	<b>\$334,825</b>
<b>Transfers</b>		
Debt Service Transfer	1,270,772	1,270,772
Inter-Fund Ops Transfer	46,360	46,360
<b>Total Transfers</b>	<b>\$1,317,132</b>	<b>\$1,317,132</b>
<b>Contributions to Operations</b>		
Contribution to CDA Operating	335,976	93,680
<b>Total Contributions to Operations</b>	<b>\$335,976</b>	<b>\$93,680</b>
<b>Year End Adjustments</b>		
XFER TO FIRE SVCS OP RESERVE	1,202,828	0
<b>Total Year End Adjustments</b>	<b>\$1,202,828</b>	<b>\$0</b>
<b>5-year CIP</b>		
Facilities Management & Maintenance Master	406,000	333,226
Fire Hydrant Maintenance Master	860,213	860,213
<b>Total 5-year CIP</b>	<b>\$1,266,213</b>	<b>\$1,193,439</b>
<b>Total Expenditures</b>	<b>\$59,810,697</b>	<b>\$46,872,619</b>
<b>Revenues</b>		

	<b>FY23-24 Budget</b>	<b>FY23-24 Assessable</b>
Fire Inspection Fees	365,195	365,195
Firefighters Supplemental Comp	113,808	113,808
Leon County EMS Payment	3,501,740	0
Forfeited Discounts	73,198	73,198
Interest	-31,683	-31,683
Other Miscellaneous Revenue	12,548	12,548
Contribution From Airport Fund	1,356,923	1,356,923
<b>Total Revenues</b>	<b>\$5,391,729</b>	<b>\$1,889,989</b>
<b>Total Expenditures</b>	<b>\$59,810,697</b>	<b>\$46,872,619</b>
<b>Total Revenues</b>	<b>\$5,391,729</b>	<b>\$1,889,989</b>
<b>Net Expenditures</b>	<b>\$54,418,968</b>	<b>\$44,982,630</b>
<b>Additional Costs</b>		
Under collection (5%)		2,499,035
<b>Total Additional Costs</b>		<b>\$2,499,035</b>
<b>Total Net Assessable Expenditures</b>		<b>\$47,481,665</b>

Table 7 shows the calculation of the full cost of the Fire Services Assessment Program for Fiscal Year 2023-24 through Fiscal Year 2027-28 as well as the five-year average Fire Services Assessment Program cost.

**Table 7**  
**Fire Assessable Cost Calculations Five-Year Average (FY 23-24 thru FY 27-28)**

	<b>FY23-24 Assessable</b>	<b>FY24-25 Assessable</b>	<b>FY25-26 Assessable</b>	<b>FY26-27 Assessable</b>	<b>FY27-28 Assessable</b>	<b>5-Yr Average Assessable</b>
<b>Expenditures</b>						
Personnel Services	\$33,974,882	\$36,331,042	\$38,269,326	\$39,594,842	\$40,274,267	\$37,688,872
Operating Expenses	\$12,897,738	\$12,798,144	\$12,964,929	\$13,132,855	\$13,082,694	\$12,975,272
<b>Total Expenditures</b>	<b>\$46,872,619</b>	<b>\$49,129,186</b>	<b>\$51,234,255</b>	<b>\$52,727,697</b>	<b>\$53,356,961</b>	<b>\$50,664,144</b>
<b>Total Revenues</b>	<b>\$1,889,989</b>	<b>\$1,918,339</b>	<b>\$1,947,114</b>	<b>\$1,976,320</b>	<b>\$2,005,965</b>	<b>\$1,947,545</b>
<b>Net Expenditures</b>	<b>\$44,982,630</b>	<b>\$47,210,847</b>	<b>\$49,287,141</b>	<b>\$50,751,377</b>	<b>\$51,350,996</b>	<b>\$48,716,598</b>
<b>Additional Costs</b>	<b>\$2,499,035</b>	<b>\$2,622,825</b>	<b>\$2,738,174</b>	<b>\$2,819,521</b>	<b>\$2,852,833</b>	<b>\$2,706,478</b>
<b>Total Net Assessable Expenditures</b>	<b>\$47,481,665</b>	<b>\$49,833,672</b>	<b>\$52,025,315</b>	<b>\$53,570,898</b>	<b>\$54,203,829</b>	<b>\$51,423,076</b>

# Determination of Fire Services Demand

## INCIDENT DATA

GSG obtained information from the City in an electronic format, identifying the number and type of fire rescue incident responses for a three-year period July 1, 2019 through June 30, 2022. The City uses the Florida Fire Incident Reporting System (FFIRS) to record its fire rescue incidents. The FFIRS is a tool for fire rescue departments to report and maintain computerized records of fire rescue incidents and other department activities in a uniform manner.

Under this system, a series of basic phrases with code numbers are used to describe fire rescue incidents. A data field in the FFIRS, “type of situation found,” identifies the incident as an EMS or non-EMS type of call for each incident. Appendix A provides a code list for the “type of situation found” as recorded on the fire rescue incident reports used to identify EMS and non-EMS calls.

Another data field in the FFIRS, “fixed property use,” identifies the type of property that fire rescue departments respond to for each fire rescue incident. The fixed property uses correlate to property uses determined by the Leon County Property Appraiser on the ad valorem tax roll. Appendix B provides a code list for the “fixed property use” as recorded on the fire rescue incident reports.

GSG analyzed the three years of fire rescue incident data from the FFIRS files to evaluate trends and determine if aberrations were present. The fire rescue incident data for the three-year period (July 1, 2019 through June 30, 2022) represents 66,575 fire rescue incidents. Of the 66,575 fire rescue incidents, there were 48,012 incidents classified as EMS type incidents based on the type of situation found indicated on the incident report. The 48,012 EMS type incidents were not included in the analysis.

There are certain fire incidents that could not be assigned to a specific property or parcel. These calls represent non-specific type incidents, which are incidents that either could not be correlated to a specific parcel or calls that involved auto accidents and other types of incidents along roads and highways.

Of the 18,563 remaining fire type incidents, 15,777 were calls to specific property uses. The remaining 2,786 incidents were considered non-specific type incidents. Because of the inability to correlate these non-specific type incidents to specific property categories, the call analysis does not include these 2,786 incidents. Additionally, the level of services required to meet anticipated demand for fire services and the corresponding annual fire services budget required to fund fire services provided to non-specific property uses would be required notwithstanding the occurrence of any incidents from such non-specific property uses.

The suppression of fires on vacant land and agricultural property primarily benefits adjacent property by containing the spread of fire rather than preserving the integrity of the vacant parcel. Thus, incidents to vacant and agricultural property were not included in the final analysis of the fire call database. The 578 calls to these two property-use categories were removed.

Of the remaining 15,199 fire type incidents, there were 1,782 calls for service to government properties and 13,417 calls to non-Government properties as identified by addresses or fixed property use codes provided in the FFIRS reports. The costs associated with providing service to government properties were segregated. Those government properties will fund fire service through a fee that is determined by the historical demand for service as detailed later in this Memorandum.

Table 8 outlines the assignment of fire type incidents based on the analysis conducted by GSG.

**Table 8**  
**Fire Calls by Category (July 1, 2019 through June 30, 2022)**

<b>Property Category</b>	<b>Number of Fire Incidents</b>	<b>Percentage of Total Incidents</b>
Non-Government	13,417	88.28%
Government	1,782	11.72%
<b>Total</b>	<b>15,199</b>	<b>100%</b>

Source: City of Tallahassee

## PROPERTY DATA

GSG obtained information from the ad valorem tax roll from the Leon County Property Appraiser's office, the City's utility billing files, and the County's certified fire assessment roll to develop the assessment roll. Each building within the County on the ad valorem tax roll was assigned to one or more of the property-use categories based on their assignment of use by the Leon County Property Appraiser or verification of use obtained through field research. A list of building improvement codes used by the Leon County Property Appraiser and their assignment to a property use category is provided as Appendix C.

The Residential Property Use Category includes such properties as single-family, duplexes, mobile homes, triplexes, quadruplexes, apartments, condominiums, townhouses, and cooperatives. In the event the data was indefinite, the DOR codes were used to clarify mobile home categories and help identify condominium and townhouse buildings. For parcels assigned to the Residential Property Use Category, GSG utilized the total number of dwelling units as determined from the building files on the ad valorem tax roll or through the use of field research.

The Non-Residential Property Use Category includes commercial and industrial/warehouse property uses. For parcels within the Non-Residential Property Use Categories (Commercial and Industrial/Warehouse), GSG determined the amount of square footage of the structures using the building files on the ad valorem tax roll or through the use of field research.

For RV parks regulated under Chapter 513, Florida Statutes, in accordance with Sections 166.223 and 125.0168, Florida Statutes, which mandate that cities and counties treat RV parks like commercial property for non-ad valorem assessments levied by the City and County, each RV space within the park was treated as a building of commercial property and assigned the square footage of 191 square feet, the average size of a recreational vehicle, according to the Florida Association of RV Parks and Campgrounds.

# Computation of Fire Services Assessments

The fire services apportionment methodology allocates assessable costs based on the anticipated demand for fire services by categories of private, real property use as identified on the real property assessment roll prepared for the levy of ad valorem taxes. The assessable fire costs are allocated among private, real property use categories based upon the historical demand for these services. This demand is identified by examining the fire incident data as reported by the City to the State Fire Marshal's office.

The fire services apportionment methodology for government property allocates billable costs to provide fire services based upon the historical demand for these services for all government owned property (i.e., City, County, State, Federal, etc.), as reflected by the incident data reported by the City.

This section of the Memorandum includes the assessment rates as calculated within this Assessment Memorandum. The fire rescue assessment cost calculations provided herein are primarily based on information supplied by the City. The assessable cost projections developed by GSG are designed to forecast assessment rates within each property use category for Fiscal Years 2023-24 based on the five-year average assessable budget.

## SERVICE ZONES

Service zones were created under the previous fire assessment study in April 2015 to reflect the level of service differentiation of a property located in a higher density area that receives fire protection coverage from multiple stations as compared to a property located in an area generally described as rural and typically serviced by a single fire station. For this purpose, "core stations" were identified and defined as those stations within five road miles of at least two other stations. The creation of a core area was necessary to eliminate the appearance of a higher service level of those properties that may be within five road miles of two stations; however, the location of the property lies between two stations that are nearly ten miles apart. This same approach was used in this study. Any changes in the level of service provided in the two zones will need to be reviewed in subsequent studies to ensure that this approach is still valid.

Those properties included in "Zone 1" were generally located within five road miles of two "core stations." Properties located outside of five road miles of two "core stations" were included in "Zone 2." A map of the service zones is provided in Appendix E.

Calls were plotted, or "geocoded," on a map based upon the geographic location of the incident provided in the FFIRS database. Those calls correlated to properties included in "Zone 1," and those calls correlated to properties included in "Zone 2," were separated and assigned to the respective zone. Table 9 details the assignment of calls to service zones.

**Table 9**  
**Fire Calls to Non-Governmental Properties by Zone**  
**(July 1, 2019 – June 30, 2022)**

Zone	Number of Calls to Specific Property Uses
Zone 1	10,106
Zone 2	3,311

The calls for service were then weighted based on the average call duration differential between Zone 1 and Zone 2 to account for the difference in resources used on calls between the two zones. On average a

call in Zone 2 is 19% longer in duration than a call in Zone 1. Therefore, all calls in Zone 2 were multiplied by a weighting factor of 1.19 to determine the weighted number of calls while all calls in Zone 1 were assigned a weighting factor of 1.00. Table 10 details the weighting of calls by zone.

**Table 10**  
**Weighted Fire Calls to Non-Governmental Properties by Zone (July 1, 2019 through June 30, 2022)**

Zone	Number of Calls to Specific Property Uses	Weighting Factor	Number of Weighted Calls to Specific Property Uses
Zone 1	10,106	1.00	10,106
Zone 2	3,311	1.19	3,940

Table 11 outlines the property use category assignment of weighted fire type incidents for non-governmental properties based on the historical demand for service in each zone.

**Table 11**  
**Weighted Fire Calls by Category to Non-Governmental Properties (July 1, 2019 through June 30, 2022)**

Category	Zone 1		Zone 2	
	Number of Incidents	Percentage of Calls	Number of Incidents	Percentage of Calls
Residential	5,894	58.32%	3,283	83.33%
Commercial	4,043	40.01%	602	15.28%
Industrial/Warehouse	169	1.67%	55	1.39%
<b>Total</b>	<b>10,106</b>	<b>100%</b>	<b>3,940</b>	<b>100%</b>

Source: City of Tallahassee

## SPECIAL BENEFIT ASSUMPTIONS

The following assumptions support a finding that the fire services, facilities, and programs provided by the City provide a special benefit to the assessed parcels.

- Fire services, facilities, and programs possess a logical relationship to the use and enjoyment of property by: (i) protecting the value and integrity of improvements and structures through the availability and provision of comprehensive fire services; (ii) protecting the life and safety of intended occupants in the use and enjoyment of property; (iii) lowering the cost of fire insurance by the presence of a professional and comprehensive fire services program; and (iv) containing fire incidents occurring on land with the potential to spread and endangering other property and property features.
- The availability and provision of comprehensive fire services enhances and strengthens the relationship of such services to the use and enjoyment of the parcels of property, the market perception of the area and, ultimately, the property values within the assessable area.

## APPORTIONMENT METHODOLOGY

The following section describes the assessment apportionment methodology for fire services based on: (i) the fire services assessable cost calculations; (ii) the ad valorem tax roll maintained by the property appraiser and the availability of the data residing on the database; and (iii) the fire rescue incident data.

## COST APPORTIONMENT

The assessable costs were first apportioned among government and non-government property based upon the historical demand for service percentages shown in Table 8. The assessable costs attributable to non-government property were then apportioned to Zone 1 and Zone 2 and then further to the individual property use categories in each service zone based upon the weighted historical demand for fire services reflected by the fire incident data experienced in each service zone for July 1, 2019 through June 30, 2022. The five-year average cost apportionment is illustrated in Table 12.

**Table 12**  
**Cost Apportionment (Five-Year Average)**

Category	Zone 1 (71.95% of Weighted Fire Calls)			Zone 2 (28.05% of Weighted Fire Calls)		
	Total Calls	Percentage	Assessable Costs	Total Calls	Percentage	Assessable Costs
Residential	5,894	58.32%	\$19,049,431	3,283	83.33%	\$10,610,742
Commercial	4,043	40.01%	\$13,066,992	602	15.28%	\$1,946,008
Industrial/Warehouse	169	1.67%	\$546,209	55	1.39%	\$176,910
<b>Total</b>	<b>10,106</b>	<b>100.00%</b>	<b>\$32,662,632</b>	<b>3,940</b>	<b>100.00%</b>	<b>\$12,733,660</b>

## PARCEL APPORTIONMENT

The share of the assessable costs apportioned to each property use category was further apportioned among the individual buildings of property within each property use category in the manner described in Table 13.

**Table 13**  
**Parcel Apportionment within Property Use Categories**

Category	Parcel Apportionment
Residential	Dwelling Unit
<u>Non-Residential:</u>	Improvement Area Per Building Within Square Footage Ranges (100,000 Square Foot Cap Per Building)
-Commercial	
-Industrial/Warehouse	

Applying the foregoing parcel apportionment methodology, fire assessment rates were computed for each property use category. The specific methodology, underlying special benefit and fair apportionment assumptions are included below and generally described.

## RESIDENTIAL PARCEL APPORTIONMENT ASSUMPTIONS

The following assumptions support findings that the parcel apportionment applied in the Residential Property Use category are fair and reasonable. The Residential Property Use Category includes such properties as single-family dwelling units and multi-family dwelling units.

- The size or the value of the residential parcel does not determine the scope of the required fire services. The potential demand for fire services is driven by the existence of a dwelling unit and the anticipated average occupant population.
- Apportioning the assessable costs for fire services attributable to the residential property use category on a per dwelling unit basis is required to avoid cost inefficiency and unnecessary administration and is a fair and reasonable method of parcel apportionment based upon historical fire call data.

- The consolidation of single-family and multi-family properties into a single category is fair and reasonable because they are similar property uses and the number of calls per dwelling unit is not significantly different.

## RESIDENTIAL PARCEL APPORTIONMENT CALCULATION

Based upon the historical demand for fire services, the percentages of assessable costs attributable to residential properties were calculated. The amount of the assessable costs allocable to each residential property was divided by the number of dwelling units in the Residential Property Use Category to compute the fire assessment to be imposed against each dwelling unit. For each residential parcel, the actual number of dwelling units located on the parcel will be multiplied by the residential dwelling unit rate to compute the residential fire assessment amount for the parcel.

Table 14 illustrates the assignment of dwelling units under this apportionment methodology to the Residential Property Use Category for each zone.

**Table 14**  
**Parcel Apportionment (Residential Property Use Category)**

Residential Property Use Category	Number of Dwelling Units-Zone 1	Number of Dwelling Units-Zone 2
Residential Dwelling Units	77,628	47,672

Source: City of Tallahassee and Leon County Property Appraiser Data

## NON-RESIDENTIAL PARCEL APPORTIONMENT ASSUMPTIONS

The Non-Residential Property Use category includes commercial and industrial/warehouse property uses. The capacity to handle fires and other emergencies in Non-Residential Property Use category is governed by the following:

- The current pumping capacity is defined as the combined amount of water that all apparatus in the Fire Department can pump to a non-residential fire. As outlined by Table 4 above, the pumping capacity of the Fire Department is 37,500 gallons per minute. Accordingly, based on National Fire Protection Association firefighting standards for fire flow as provided for in NFPA 1 Fire Code, 2015, Chapter 18 (assuming ordinary construction), the Fire Rescue Department currently has sufficient fire flow capacity to provide service coverage in the event of a structure fire involving unlimited square feet. To avoid inefficiency and unnecessary administration, the City has made a policy decision to set the maximum classification of any building at 100,000 square feet.

The following assumption supports findings that the parcel apportionment applied in the Non-Residential Property Use category is fair and reasonable.

- The risk of loss and demand for fire services availability is substantially the same for structures below a certain minimum size. Because the value and anticipated occupancy of structures below a certain minimum size is less, it is fair, reasonable, and equitable to provide a lesser assessment burden on such structures by the creation of a specific property parcel classification for those parcels.
- The separation of non-residential buildings into square footage classifications is fair and reasonable for the purposes of parcel apportionment because: (i) the absence of a need for precise square footage data within the ad valorem tax records maintained by the property appraiser undermines the use of actual square footage of structures and improvements within each improved building as a basis for parcel apportionment; (ii) the administrative expense and complexity created by an on-site inspection to determine the actual square footage of structures and improvements within each improved parcel assessed is impractical; and (iii) the demand for fire services availability is not precisely determined or measured by the actual square footage of structures and improvements within benefited parcels; and (iv) the classification of buildings within square footage ranges is a fair and reasonable method to

classify benefited parcels and to apportion costs among benefited buildings that create similar demand for the availability of fire services.

- The consolidation of commercial and institutional properties into a single category is fair and reasonable because the non-government institutional type properties are similar in use to the commercial type properties.

The parcel apportionment for each Non-Residential Property Use Classification shall include both minimum building classifications and an additional classification of all other buildings based upon the assumed square footage of structures and improvements within the improved parcel. The Non-Residential Property Use Classifications include Commercial and Industrial/Warehouse. The following describes the Non-Residential Property parcel apportionment calculation and classification for the Commercial and Industrial/Warehouse categories.

## NON-RESIDENTIAL PARCEL APPORTIONMENT CALCULATION

Based upon the historical demand for fire services, property in the Non-Residential Property Use categories will be responsible for funding a percentage of assessable costs. The amount of the assessable costs allocable to buildings within each of the Non-Residential Property Use Classifications was calculated based upon the following building classifications.

- Non-residential buildings with square footage of non-residential improvements less than 1,999 square feet were assigned an improvement area of 1,000 square feet per building. Buildings with square footage of non-residential improvements between 2,000 square feet and 3,499 square feet were assigned an improvement area of 2,000 square feet per building. Buildings with non-residential improvements between 3,500 square feet and 4,999 square feet were assigned an improvement area of 3,500 square feet per building. Buildings with non-residential improvement areas between 5,000 square feet and 9,999 square feet were assigned an improvement area of 5,000 square feet per building. For buildings containing non-residential improvements between 10,000 square feet and 99,999 square feet, assignments of improvement area were made in 10,000 square foot increments.
- For buildings, containing non-residential improvements over 99,999 square feet, an assignment of improvement area of 100,000 was made.

Sections 125.0168 and 166.223, Florida Statutes, relating to special assessments levied on recreational vehicle parks regulated under Chapter 513, Florida Statutes are based on the following:

- When a city or county levy a non-ad valorem special assessment on a recreational vehicle park regulated under Chapter 513, the non-ad valorem special assessment shall not be based on the assertion that the recreational vehicle park is comprised of residential units. Instead, recreational vehicle parks regulated under Chapter 513 shall be assessed as a commercial entity in the same manner as a hotel, motel, or other similar facility.

Table 15 illustrates the assignment of improvement area under this apportionment methodology for the Commercial and Industrial/Warehouse categories.

**Table 15**  
**Parcel Apportionment (Non-Residential Property Use Category)**

Square Foot Tiers	Number of Commercial Buildings		Number of Industrial/Warehouse Buildings	
	Zone 1	Zone 2	Zone 1	Zone 2
≤ 1,999	1,239	205	66	25
2,000 - 3,499	900	166	80	50
3,500 - 4,999	591	100	58	34
5,000 - 9,999	941	161	194	71
10,000 - 19,999	490	86	185	34
20,000 - 29,999	170	29	56	8
30,000 - 39,999	101	9	34	1
40,000 - 49,999	58	10	12	0
50,000 - 59,999	36	3	4	0
60,000 - 69,999	27	5	4	0
70,000 - 79,999	19	3	1	1
80,000 - 89,999	10	3	1	2
90,000 - 99,999	8	3	6	0
≥ 100,000	43	5	18	2

Source: City of Tallahassee and Leon County Property Appraiser Data

Because the suppression of fires on vacant land and agricultural property primarily benefits adjacent property by containing the spread of fire rather than preserving the integrity of the vacant parcel, incidents to vacant and agricultural property were not included in the final analysis of the fire call database. Therefore, only the primary structures on vacant and agricultural parcels will be charged.

## COMPUTATION OF FIRE ASSESSMENT RATES

Applying the parcel apportionment methodology, fire services assessment rates were computed for each specified property use category. Based on the assessable costs of providing fire services, the number of fire calls apportioned to specific property categories and the number of billing units within the specified property categories.

Table 16 illustrates the assessment rates after application of the assessment methodology based on 100 percent funding of the five-year average assessable costs.

**Table 16**  
**Fire Services Assessment Rates (Five-Year Average)**

<b>Residential Property Use Categories</b>		<b>Zone 1 - Rate Per Dwelling Unit</b>	<b>Zone 2 - Rate Per Dwelling Unit</b>
Residential Dwelling Unit		\$245.39	\$223
<b>Commercial Property Use Category</b>	<b>Building Classification (in square foot ranges)</b>	<b>Zone 1 - Rate Per Building</b>	<b>Zone 2 - Rate Per Building</b>
	≤ 1,999	\$384	\$356
	2,000 - 3,499	\$768	\$712
	3,500 - 4,999	\$1,344	\$1,245
	5,000 - 9,999	\$1,920	\$1,779
	10,000 - 19,999	\$3,840	\$3,557
	20,000 - 29,999	\$7,680	\$7,113
	30,000 - 39,999	\$11,519	\$10,669
	40,000 - 49,999	\$15,359	\$14,226
	50,000 - 59,999	\$19,198	\$17,782
	60,000 - 69,999	\$23,038	\$21,338
	70,000 - 79,999	\$26,877	\$24,895
	80,000 - 89,999	\$30,717	\$28,451
	90,000 - 99,999	\$34,557	\$32,007
	≥ 100,000	\$38,396	\$35,564
<b>Industrial/Warehouse Property Use Category</b>	<b>Building Classification (in square foot ranges)</b>	<b>Zone 1 - Rate Per Building</b>	<b>Zone 2 - Rate Per Building</b>
	≤ 1,999	\$63	\$114
	2,000 - 3,499	\$125	\$227
	3,500 - 4,999	\$218	\$398
	5,000 - 9,999	\$311	\$568
	10,000 - 19,999	\$621	\$1,135
	20,000 - 29,999	\$1,242	\$2,270
	30,000 - 39,999	\$1,863	\$3,405
	40,000 - 49,999	\$2,484	\$4,540
	50,000 - 59,999	\$3,104	\$5,674
	60,000 - 69,999	\$3,725	\$6,809
	70,000 - 79,999	\$4,346	\$7,944
	80,000 - 89,999	\$4,967	\$9,079
	90,000 - 99,999	\$5,587	\$10,213
	≥ 100,000	\$6,208	\$11,348

\*Estimated Gross Revenue: \$45,396,291; Estimated Institutional Tax-Exempt Buy-down: \$479,368; Estimated Net Revenue: \$44,916,923.

## EXEMPTIONS AND IMPACT OF EXEMPTIONS

Because the fire services assessment is being developed to meet the case law standards for a valid special assessment, any proposed exemptions require special scrutiny. The crafting of an exemption must be founded upon a legitimate public purpose, and not tramp on state or federal constitutional concepts of equal protection and constitutional prohibitions against establishment of religion or the use of the public treasury directly or indirectly to aid religious institutions. Furthermore, to ensure public acceptance, any exemption must make common sense and be fundamentally fair. Finally, the impact of any proposed exemption should be evaluated in terms of its magnitude and fiscal consequences on the City and County's general funds respectively.

Whenever crafting an exemption, it is important to understand that the fair apportionment element required by Florida case law prohibits the shifting of the fiscal costs of any special assessment from exempt landowners to other non-exempt landowners. In other words, the funding for an exemption from a special assessment must come from a legally available external revenue source, such as the City and

County's general funds. Funding for fire assessment exemptions cannot come from the proceeds derived directly from the imposition of special assessments for fire services and facilities. Because any exemption must be funded by an external funding source, the grant of any exemption will not have any impact upon the fire assessment to be imposed upon any other non-exempt parcels.

The decision to fund exemptions for fire services assessments on property owned by non-governmental entities is based upon the determination that such exemptions constituted a valid public purpose.

Table 17 summarizes the estimated impact of exempting institutional, wholly tax-exempt property based on the five-year average assessable budget.

**Table 17**  
**Estimated Impact of Exemptions (Five-Year Average)**

<b>Financial Classification</b>	<b>Zone 1</b>	<b>Zone 2</b>	<b>Total</b>
Estimated Assessable Costs	\$32,662,632	\$12,733,660	\$45,396,291
Estimated Buy-down for Institutional Tax-Exempt Building Uses	\$345,780	\$133,588	\$479,368
<b>Estimated Revenue Generated</b>	<b>\$32,316,852</b>	<b>\$12,600,072</b>	<b>\$44,916,923</b>

# Fire Services Fees Imposed on Governmental Property

The special benefit and fair and reasonable apportionment requirements for a valid special assessment do not rigidly apply to charges against government property. Florida case law has stated that user fees are paid by choice and are charged in exchange for a particular governmental service, which benefits the property paying the fee in a manner not shared by other members of the public. In the user fee context, choice means that the property paying the fee has the option of not using the governmental service and thereby avoiding the charge. Under such tests and definition of choice, the validity of both impact fees and stormwater fees have been upheld.

Impact fees are imposed to place the economic burden of infrastructure required by growth on new development. Stormwater fees are imposed to control and treat the stormwater burden generated by the use and enjoyment of developed property. Likewise, fire services provided by the City and County are intended to meet the historical demand for fire services from developed property and such fee benefits the owner or user of developed property in a manner not shared by other members of society (e.g., the owner of undeveloped property).

The Florida Attorney General has recognized that state-owned property is not required to pay a special assessment without legislative authorization but that such authorization is not needed for user fees or service charges. Additionally, a valid charge cannot be enforced by a lien against public property absent elector approval. Rather, the enforcement remedy is a mandamus action to compel payment. In addition, certain general laws preempt the home rule power of local governments to impose special assessments on educational institutions.

As discussed previously and documented in the “Incident Data” section of this document, the fire services incidents were analyzed to determine the fire services demand for all governmental property. It was determined that approximately 11.72% of the total fire calls were attributable to governmental property. Therefore, approximately 11.72% of the total assessable budget was allocated to governmental property as shown in Table 18 below.

**Table 18**  
**Government Cost Allocation**

Total Assessable Costs	Percentage of Governmental Calls	Governmental Cost Allocation
\$51,423,076	11.72%	\$6,026,785

The costs attributable to each governmental entity will be allocated based on each entity’s percentage of the total governmental square footage as determined by the City. GSG calculated a rate per square foot for governmental property based on the governmental cost allocation in Table 18 and the total governmental square footage as provided by the City. This calculation is shown in Table 19 below.

**Table 19**  
**Government Rate Calculation**

Governmental Cost Allocation	Total Government Square Feet	Government Rate Per Square Foot
\$6,026,785	22,627,160	\$0.267

# Additional Information

## EXEMPTION CALCULATIONS

GSG utilized the most current data to identify institutional, tax-exempt parcels within the County in order to calculate the aggregate cost ('buy down') of these parcels. In addition, best efforts were made by GSG to reconcile any differences necessary to calculate the estimated buy down for this exemption category. Missing or incorrect property data could affect the estimated aggregate costs.

## NON-SPECIFIC CALLS

In the fire call analysis, certain fire related calls were classified as non-property specific, because of the location of occurrence in the incident report. These calls represent non-specific incidents that either could not be correlated to a specific parcel or involved auto accidents or other types of incidents along roads and highways. These calls are excluded from the analysis that determines the percentage of calls for service to respective property types and therefore, are not considered in the determination of the extent of budget required to fund the department. Because the budget is established based on the ability of the department to adequately protect structures, no adjustment has been made to the budget due to non-property specific calls.

## MOBILE HOME AND RECREATIONAL VEHICLE PARK VACANCY CREDIT

As a consequence of the transient use and potential extraordinary vacancies within mobile home and recreational vehicle (RV) parks as compared to other residential property and the lack of demand for fire services for unoccupied spaces, it is fair and reasonable to provide for an extraordinary vacancy adjustment procedure for mobile home and RV park properties. Vacant mobile home and RV spaces within a mobile home or RV park will be charged; however, these properties will be eligible for an extraordinary vacancy adjustment for vacant mobile home or RV spaces.

## VERIFICATION OF SQUARE FOOTAGE OF STRUCTURES ON TAX-EXEMPT PARCELS

The ad valorem tax roll provides the data required to determine value. So long as properties remain in the name of owners exempt from ad valorem taxation, the property appraiser may not consistently maintain data related to building improvements on such parcels. As a consequence of such data imperfections, the square footage on some of the parcels, particularly for institutional private sector classifications, may not be complete.

## BILLING PROPERTIES WITH MULTIPLE UTILITY ACCOUNTS

The proposed methodology can determine the assessment rate per building on a tax parcel. However, for some non-residential properties there may be many utility accounts assigned to a building. When utilizing the utility bill to collect the Fire Services Assessment, a considerable amount of data collection will be necessary to assess each utility account assigned to the building.

# Appendix A

## SITUATION FOUND CODES AND DESCRIPTIONS

Situation Found Code	Description	EMS Type Call
111	Building Fire	No
112	Fires in structures other than in a building	No
113	Cooking fire, confined to a container	No
114	Chimney or flue fire, confined to chimney or flue	No
115	Incinerator overload or malfunction, fire confined	No
116	Fuel burner/boiler malfunction, fire confined	No
118	Trash or rubbish fire, contained	No
120	Fire in mobile property used as a fixed structure, other	No
121	Fire in mobile home used as a fixed residence	No
122	Fire in mobile home, camper, recreational vehicle	No
123	Fire in portable building, fixed location	No
130	Mobile property (vehicle) fire, other	No
131	Passenger vehicle fire	No
132	Road freight or transport vehicle fire	No
134	Water vehicle fire	No
137	Camper or RV fire	No
138	Off Road vehicle or heavy equipment fire	No
140	Natural vegetation fire	No
141	Forest, woods or wildland fire	No
142	Brush, or brush and grass mixture fire	No
143	Grass fire	No
150	Outside rubbish fire, other	No
151	Outside rubbish, trash or waste fire	No
152	Garbage dump or sanitary landfill fire	No
153	Construction or demolition landfill fire	No
154	Dumpster or other outside trash receptacle fire	No
155	Outside stationary compactor/compacted trash fire	No
160	Special outside fire, other	No
161	Outside storage fire	No
162	Outside equipment fire	No
163	Outside gas or vapor combustion explosion	No
170	Cultivated vegetation, crop fire, other	No
173	Cultivated trees or nursery stock fire	No
210	Overpressure rupture from steam, other	No
211	Overpressure rupture of steam pipe or pipeline	No
220	Overpressure rupture from air or gas, other	No
221	Overpressure rupture of air or gas pipe/pipeline	No
223	Air or gas rupture of pressure or process vessel	No
240	Explosion (no fire), other	No
243	Fireworks explosion (no fire)	No
251	Excessive heat, scorch burns with no ignition	No
311	Medical assist, assist EMS crew	Yes
320	Allergic reaction	Yes
321	EMS call, excluding vehicle accident with injury	Yes
322	Vehicle accident with injuries	Yes
323	Motor vehicle/pedestrian accident (MV Ped)	Yes
324	Motor Vehicle Accident, No Injuries	No
331	Lock-in (if lock out, use 511)	No
341	Search for person on land	No

Situation Found Code	Description	EMS Type Call
342	Search for person in water	No
350	Extrication, rescue, other	No
351	Extrication of victim(s) from building/structure	No
352	Extrication of victim(s) from vehicle	No
353	Removal of victim(s) from stalled elevator	No
354	Trench/below grade rescue	No
356	High angle rescue	No
357	Extrication of victim(s) from machinery	No
360	Water & ice related rescue, other	No
361	Swimming/recreational water areas rescue	No
363	Swift water rescue	No
365	Watercraft rescue	No
370	Electrical rescue	No
372	Trapped by power lines	No
381	Rescue or EMS standby	Yes
410	Flammable gas or liquid condition, other	No
411	Gasoline or other flammable liquid spill	No
412	Gas leak	No
413	Oil or other combustible liquid spill	No
420	Toxic condition, other	No
421	Chemical hazard ( no spill or leak )	No
422	Chemical spill or leak	No
423	Refrigeration leak	No
424	Carbon monoxide incident	No
440	Electrical wiring/equipment problem, other	No
441	Heat from short circuit (wiring), defective/worn	No
442	Overheated motor	No
443	Light ballast breakdown	No
444	Power line down	No
445	Arcing, shorted electrical equipment	No
451	Police Assist	No
460	Accident, potential accident, other	No
461	Building or structure weakened or collapsed	No
462	Aircraft standby	No
463	Vehicle accident, general cleanup	No
471	Explosive, bomb removal (for bomb scare, use 721)	No
480	Attempted burning, illegal action, other	No
481	Attempt to burn	No
482	Threat to burn	No
500	Service call, other	No
510	Person in distress, other	No
511	Lock-out	No
512	Ring or jewelry removal	No
520	Water problem, other	No
521	Water evacuation	No
522	Water or steam leak	No
531	Smoke or odor removal	No
540	Animal problem, other	No
542	Animal rescue	No

Situation Found Code	Description	EMS Type Call
550	Public service assistance, other	No
551	Assist police or other governmental agency	No
552	Police matter	No
553	Public service	No
554	Assist invalid	Yes
555	Defective elevator	No
561	Unauthorized burning	No
600	Good intent call, other	No
611	Dispatched & canceled en route	No
621	Wrong location	No
622	No incident found upon arrival	No
631	Authorized controlled burning	No
632	Prescribed fire	No
641	Vicinity alarm (incident in other location)	No
650	Steam, other gas mistaken for smoke, other	No
651	Smoke scare, odor of smoke	No
652	Steam, vapor, fog or dust thought to be smoke	No
653	Barbecue, tar kettle	No
661	EMS call, party transported by non-fire agency	Yes
671	Hazmat release investigation w/no hazmat	No
672	Biological hazard investigation, none found	No
710	Malicious, mischievous false call, other	No
711	Municipal alarm system, malicious false alarm	No
713	Telephone, malicious false alarm	No
714	Central station, malicious false alarm	No
715	Local alarm system, malicious false alarm	No
721	Bomb scare - no bomb	No
730	System malfunction	No
731	Sprinkler activation due to malfunction	No
732	Extinguishing system activation due to malfunction	No
733	Smoke detector activation due to malfunction	No
734	Heat detector activation due to malfunction	No
735	Alarm system sounded due to malfunction	No
736	CO detector activation due to malfunction	No
740	Unintentional transmission of alarm, other	No
741	Sprinkler activation, no fire - unintentional	No
742	Extinguishing system activation	No
743	Smoke detector activation, no fire - unintentional	No
744	Detector activation, no fire - unintentional	No
745	Alarm system sounded, no fire - unintentional	No
746	Carbon monoxide detector activation, no CO	No
813	Wind storm, tornado/hurricane assessment	No
814	Lightning strike (no fire)	No
815	Severe weather or natural disaster standby	No
911	Citizen complaint	No

# Appendix B

## FIXED PROPERTY USE CODES AND DESCRIPTIONS

Fixed Property Use Code	Description	Category
000	FIXED PROP USE UNDETERMINED	NON-SPECIFIC
100	UNKNOWN OTHER	NON-SPECIFIC
110	FIXED USE RECREATION, OTHER	COMMERCIAL
111	BOWLING ESTABLISHMENT	COMMERCIAL
112	BILLIARD CENTER	COMMERCIAL
113	AMUSEMENT CENTER	COMMERCIAL
114	ICE RINK	COMMERCIAL
115	ROLLER RINK	COMMERCIAL
116	SWIMMING FACILITY	COMMERCIAL
120	VARIABLE USE AMUSEMENT/RECREATION	COMMERCIAL
121	BALLROOM, GYMNASIUM	COMMERCIAL
122	EXHIBITION HALL	COMMERCIAL
123	ARENA/STADIUM	COMMERCIAL
124	PLAYGROUND	COMMERCIAL
129	AMUSEMENT CENTER INDOOR/OUTDOOR	COMMERCIAL
130	PLACES OF WORSHIP, CHURCH, FUNERAL PARLOR	COMMERCIAL
131	CHURCH/CHAPEL	COMMERCIAL
134	FUNERAL PARLOR/CHAPEL	COMMERCIAL
140	CLUBS, OTHER	COMMERCIAL
141	ATHLETIC CLUB/YMCA	COMMERCIAL
142	CLUB HOUSE	COMMERCIAL
143	YACHT CLUB	COMMERCIAL
144	CASINO, GAMBLING CLUBS	COMMERCIAL
150	PUBLIC, GOVT, OTHER	COMMERCIAL
151	LIBRARY	COMMERCIAL
152	MUSEUM, ART GALLERY	COMMERCIAL
154	MEMORIAL STRUCTURE, MONUMENT	COMMERCIAL
155	COURT ROOM	COMMERCIAL
160	EATING/DRINKING PLACES	COMMERCIAL
161	RESTAURANT	COMMERCIAL
162	NIGHTCLUB	COMMERCIAL
170	TERMINALS OTHER	COMMERCIAL
171	AIRPORT TERMINAL	COMMERCIAL
173	BUS TERMINAL	COMMERCIAL
180	THEATER, STUDIO OTHER	COMMERCIAL
181	PERFORMANCE THEATER	COMMERCIAL
182	AUDITORIUM, CONCERT HALL	COMMERCIAL
183	MOVIE THEATER	COMMERCIAL
185	RADIO, TV STUDIO	COMMERCIAL
200	EDUCATIONAL PROPERTY OTHER	COMMERCIAL
210	SCHOOLS NON-ADULT OTHER	COMMERCIAL
211	PRE-SCHOOL	COMMERCIAL
213	ELEMENTARY SCHOOL	COMMERCIAL
215	HIGH SCHOOL/JR HIGH/MIDDLE SCHOOL	COMMERCIAL
241	COLLEGE/UNIVERSITY	COMMERCIAL
254	DAY CARE-IN COMMERCIAL PROPERTY	COMMERCIAL
255	DAY CARE-IN RESIDENCE-LICENSED	COMMERCIAL
300	HEALTHCARE/DETENTION OTHER	COMMERCIAL
311	CARE OF THE AGED/NURSING STAFF	COMMERCIAL
321	MENTAL RETARDATION/DEVELOPMENT DISABILITY FACILITY	COMMERCIAL
322	ALCOHOL/SUBSTANCE ABUSE RECOVERY CENTER	COMMERCIAL

323	ASYLUM/MENTAL INSTITUTION	COMMERCIAL
331	HOSPITAL-MEDICAL/PSYCHIATRIC	COMMERCIAL
332	HOSPICES	COMMERCIAL
340	CLINICS, OTHER	COMMERCIAL
341	CLINIC, CLINIC-TYPE INFIRMARY	COMMERCIAL
342	DOCTOR/DENTIST/SURGEONS OFFICE	COMMERCIAL
343	HEMODIALYSIS UNIT	COMMERCIAL
361	JAIL/PRISON - NOT JUVENILE	COMMERCIAL
363	REFORMATORY, JUVENILE DETENTION CENTER	COMMERCIAL
365	POLICE STATION	COMMERCIAL
400	RESIDENTIAL OTHER	RESIDENTIAL
419	ONE- AND TWO-FAMILY DWELLING	RESIDENTIAL
429	MULTI-FAMILY DWELLINGS	RESIDENTIAL
439	ROOMING, BOARDING, RESIDENTIAL HOTELS	COMMERCIAL
449	HOTELS, MOTELS, INNS, LODGES	COMMERCIAL
459	RESIDENTIAL BOARD AND CARE	COMMERCIAL
460	DORMITORIES OTHER	COMMERCIAL
462	FRATERNITY, SORORITY HOUSE	COMMERCIAL
464	MILITARY BARRACKS/DORMITORY	RESIDENTIAL
500	MERCANTILE PROPERTIES OTHER	COMMERCIAL
511	CONVENIENCE STORE	COMMERCIAL
519	FOOD, BEVERAGE SALES, GROCERY STORE	COMMERCIAL
529	TEXTILE, WEARING APPAREL SALES	COMMERCIAL
539	HOUSEHOLD GOODS SALES, REPAIRS	COMMERCIAL
549	SPECIALTY SHOPS	COMMERCIAL
557	BARBER, BEAUTY SHOP, PERSONAL SERVICES	COMMERCIAL
559	RECREATIONAL, HOBBY, HOME SALES, PET STORE	COMMERCIAL
564	SELF-SERVICE LAUNDRY/DRY CLEANING	COMMERCIAL
569	PROFESSIONAL SUPPLIES	COMMERCIAL
571	SERVICE STATION	COMMERCIAL
579	MOTOR VEHICLE, BOAT SALES/SERVICE/REPAIRS	COMMERCIAL
580	GENERAL ITEM STORES, OTHER	COMMERCIAL
581	DEPARTMENT STORE	COMMERCIAL
592	BANK W/FIRST STORY BANKING FACILITY	COMMERCIAL
593	MEDICAL, RESEARCH, SCIENTIFIC OFFICE	COMMERCIAL
596	POST OFFICE OR MAILING FORMS	COMMERCIAL
599	BUSINESS OFFICES	COMMERCIAL
600	BASIC INDUSTRY, UTILITY, DEFENSE OTHER	INDUSTRIAL/WAREHOUSE
610	ENERGY PRODUCTION, OTHER	INDUSTRIAL/WAREHOUSE
615	ELECTRIC GENERATING PLANT	INDUSTRIAL/WAREHOUSE
629	LABORATORIES	INDUSTRIAL/WAREHOUSE
631	NATIONAL DEFENSE SITE/MILITARY SITE	COMMERCIAL
632	RADIO, RADAR SITE	INDUSTRIAL/WAREHOUSE
635	COMPUTER, DATA PROCESSING CNTR	INDUSTRIAL/WAREHOUSE
639	COMMUNICATIONS CENTER	INDUSTRIAL/WAREHOUSE
640	UTILITY, ENERGY DISTRIBUTION CNTR OTHER	INDUSTRIAL/WAREHOUSE
642	ELECTRIC TRANSMISSION DISTIB. SYSTEM	INDUSTRIAL/WAREHOUSE
644	GAS DISTRIBUTION SYSTEM, PIPELINE	INDUSTRIAL/WAREHOUSE
647	WATER UTILITY	INDUSTRIAL/WAREHOUSE
648	SANITARY SERVICE	INDUSTRIAL/WAREHOUSE
655	CROPS, ORCHARDS	AGRICULTURAL LAND
659	LIVESTOCK PRODUCTION	AGRICULTURAL LAND

669	FOREST, TIMBERLAND	AGRICULTURAL LAND
700	MANUFACTURING PROPERTY, PROCESSING	INDUSTRIAL/WAREHOUSE
800	STORAGE PROPERTY OTHER	INDUSTRIAL/WAREHOUSE
807	OUTSIDE MATERIAL STORAGE AREA	NON-SPECIFIC
808	SHED	NON-SPECIFIC
880	VEHICLE STORAGE; OTHER	INDUSTRIAL/WAREHOUSE
881	RESIDENTIAL PARKING STORAGE	INDUSTRIAL/WAREHOUSE
882	GENERAL VEHICLE PARKING GARAGE	INDUSTRIAL/WAREHOUSE
888	FIRE STATIONS	COMMERCIAL
891	GENERAL WAREHOUSE	INDUSTRIAL/WAREHOUSE
898	WHARF, PIER	INDUSTRIAL/WAREHOUSE
899	RESIDENTIAL OR SELF STORAGE UNITS	INDUSTRIAL/WAREHOUSE
900	OUTSIDE, SPECIAL PROPERTIES; OTHER	NON-SPECIFIC
919	DUMP SANITARY LANDFILL	NON-SPECIFIC
921	BRIDGE, TRESTLE	NON-SPECIFIC
926	OUTBUILDING, EXCLUDING GARAGE	NON-SPECIFIC
931	OPEN LAND, FIELD	VACANT LAND
935	CAMPSITE WITH UTILITIES	COMMERCIAL
936	VACANT LOT	VACANT LAND
938	GRADED AND CARED FOR PLOTS OF LAND	AGRICULTURAL LAND
940	WATER AREAS, OTHER	NON-SPECIFIC
946	LAKE/RIVER/STREAM	NON-SPECIFIC
951	RAILROAD RIGHT OF WAY	NON-SPECIFIC
960	STREET, OTHER	NON-SPECIFIC
961	DIVIDED HIGHWAY, HIGHWAY	NON-SPECIFIC
962	PAVED PUBLIC STREET, RESIDENTIAL	NON-SPECIFIC
963	PAVED PRIVATE STREET, COMMERCIAL	NON-SPECIFIC
965	UNCOVERED PARKING AREA	NON-SPECIFIC
972	AIRCRAFT RUNWAY	COMMERCIAL
973	TAXIWAY/UNCOV PARK/MAINT AREA	COMMERCIAL
974	AIRCRAFT LOADING AREA	COMMERCIAL
981	CONSTRUCTION SITE	NON-SPECIFIC
983	PIPELINE, POWER LINE RIGHT OF WAY	NON-SPECIFIC
984	INDUSTRIAL PLANT YARD	INDUSTRIAL/WAREHOUSE
NNN	NONE	NON-SPECIFIC
UUU	UNDETERMINED	NON-SPECIFIC

# Appendix C

## LEON COUNTY PROPERTY APPRAISER BUILDING IMPROVEMENT CODES AND USE DESCRIPTIONS WITH ASSIGNMENT OF PROPERTY USE CATEGORY

<b>Building Use Code - Description</b>	<b>Category</b>
0100 - SINGLE FAMILY RESIDENTIAL	Residential
0300 - DUPLEX	Residential
0400 - CONDOMINIUM	Residential
0500 - STUDENT APARTMENTS	Residential
0501 - FRAT/SORORITY	Commercial
0510 - STUDENT MULTI LEASE	Residential
0600 - STANDARD APARTMENTS	Residential
0601 - APT/ LESS THAN 10 UNITS	Residential
0602 - DORMITORY	Residential
0650 - Lihtc	Residential
0700 - TOWNHOUSE	Residential
0800 - MOBILE HOME	Residential
1000 - GARDEN APARTMENT	Residential
1100 - HIGH RISE	Residential
1200 - EXEMPT MULTI FAMILY	Residential
1400 - MOTELS	Commercial
1500 - EXTENDED STAY HOMES	Commercial
1600 - HOTELS	Commercial
1700 - HOSP/NURS HOME	Commercial
1710 - NURSING HOME	Commercial
1720 - CLINIC	Commercial
1730 - Vet Clinic	Commercial
1740 - REGIONAL MEDICAL CENTER	Commercial
1750 - ASSISTED LIVING FACILITY	Commercial
1800 - CO-OP	Commercial
2000 - STORE	Commercial
2010 - CONDO-STORE	Commercial
2011 - SALON/BARBER SHOP	Commercial
2012 - LAUNDROMAT	Commercial
2013 - CARWASH	Commercial
2014 - PHYS FITNESS CENTER	Commercial
2015 - STORE SFR CONV	Commercial
2016 - IND/RETAIL/STORE	Commercial
2018 - DRY CLEANERS	Commercial
2020 - CONVENIENCE STORE	Commercial
2030 - CONV-STORE/GAS	Commercial
2040 - SUPERMARKET	Commercial
2050 - PHARMACY	Commercial
2060 - JR DISCOUNT	Commercial
2070 - SUPER DISCOUNT	Commercial
2080 - AUTO PARTS	Commercial
2090 - AUTO SERVICE	Commercial
2100 - DEPARTMENT STORE	Commercial
2110 - JR DEPARTMENT STORE	Commercial
2200 - SHOP CENTER	Commercial
2210 - NBHD SHOP CENTER	Commercial
2220 - COMM SHOP CENTER	Commercial
2300 - SERVICE STATION	Commercial
2400 - REC/BOWL ALLEY	Commercial
2410 - CLUBHOUSE/REC	Commercial
2420 - Clubhouse/Exempt	Commercial

<b>Building Use Code - Description</b>	<b>Category</b>
2500 - REST/LOUNGE	Commercial
2510 - FAMILY RESTAURANT	Commercial
2520 - TAKE-OUT RESTAURANT	Commercial
2600 - FAST FOOD DRIVE IN	Commercial
2610 - FAST FOOD NO SEAT	Commercial
2620 - NITE CLUB	Commercial
2700 - AUDIT/THEATER	Commercial
2800 - MALL	Commercial
2810 - SUPER REG MALL	Commercial
3000 - OFFICE	Commercial
3010 - OFFICE CONDO	Commercial
3015 - Office Condo High Rise	Commercial
3020 - OFFICE STRIP CENTER	Commercial
3030 - OFFICE LOW RISE	Commercial
3040 - OFFICE MID RISE	Commercial
3045 - Office Park	Commercial
3050 - OFFICE HIGH RISE	Commercial
3060 - OFFICE INDUSTRIAL	Commercial
3070 - OFFICE/SFR CONVERSION	Commercial
3080 - CONDO MEDICAL OFFICE	Commercial
3100 - ED/RELIGIOUS	Commercial
3110 - CHILD CARE	Commercial
3200 - PUBLIC PARKING	Industrial/Warehouse
3300 - BANKS	Commercial
3400 - BANKS-BRANCH	Commercial
3410 - BANKS-DRV THRU	Commercial
3500 - FUNERAL HOME	Commercial
3600 - TRAINING CENTER	Commercial
3700 - MEDICAL OFFICE	Commercial
3901 - BROADCAST CENTER	Commercial
3902 - WCTV 2	Commercial
3930 - CLASSROOM/TRAINING	Commercial
3940 - LIBRARY/MULTI-MEDIA	Commercial
3950 - OFFICES	Commercial
3960 - DORMITORY/HOUSING	Commercial
3970 - MEDICAL FACILITIES	Commercial
3980 - Courthouse	Commercial
4000 - WAREHOUSE	Industrial/Warehouse
4010 - CONDO WAREHOUSE	Industrial/Warehouse
4020 - DISTRIBUTION WAREHOUSE	Industrial/Warehouse
4030 - TECH MANUFACTURING	Industrial/Warehouse
4031 - INDUSTRIAL OFFICE	Industrial/Warehouse
4040 - WAREHOUSE/MULTI-BAY	Industrial/Warehouse
4100 - SERVICE/PARKING GARAGE	Industrial/Warehouse
4110 - INDEPENDENT AUTO CENTER	Commercial
4200 - MINI WAREHOUSE	Industrial/Warehouse
4300 - COLD STORAGE	Industrial/Warehouse
4400 - LIGHT MANUFACTURING	Industrial/Warehouse
4500 - HEAVY MANUFACTURING	Industrial/Warehouse
4600 - AUTO SHOW/GARAGE	Industrial/Warehouse
4610 - CAR/TRUCK RENTAL	Commercial

<b>Building Use Code - Description</b>	<b>Category</b>
4620 - BOAT S/E DEALER	Commercial
4700 - PREFAB METAL BUILDING	not charged
4800 - BARN SHED	not charged
4810 - Airport Terminal	Commercial
4900 - MAINT/MECH/WAREHOUSING	Industrial/Warehouse
4910 - RESEARCH/DEVELOP LABS	Industrial/Warehouse
4920 - STADIUMS/ARENAS	Commercial
4930 - PARKING GARAGES	Industrial/Warehouse
4940 - PRISONS/JAILS	Commercial
4950 - MILITARY FACILITIES	Commercial
4960 - FIRE STATION	Commercial
MHPK - MOBILE HOME PARK	Residential
MUSE - MUSEUM/CULTURAL	Commercial
RVPK - RV PARK	Commercial

# Appendix D

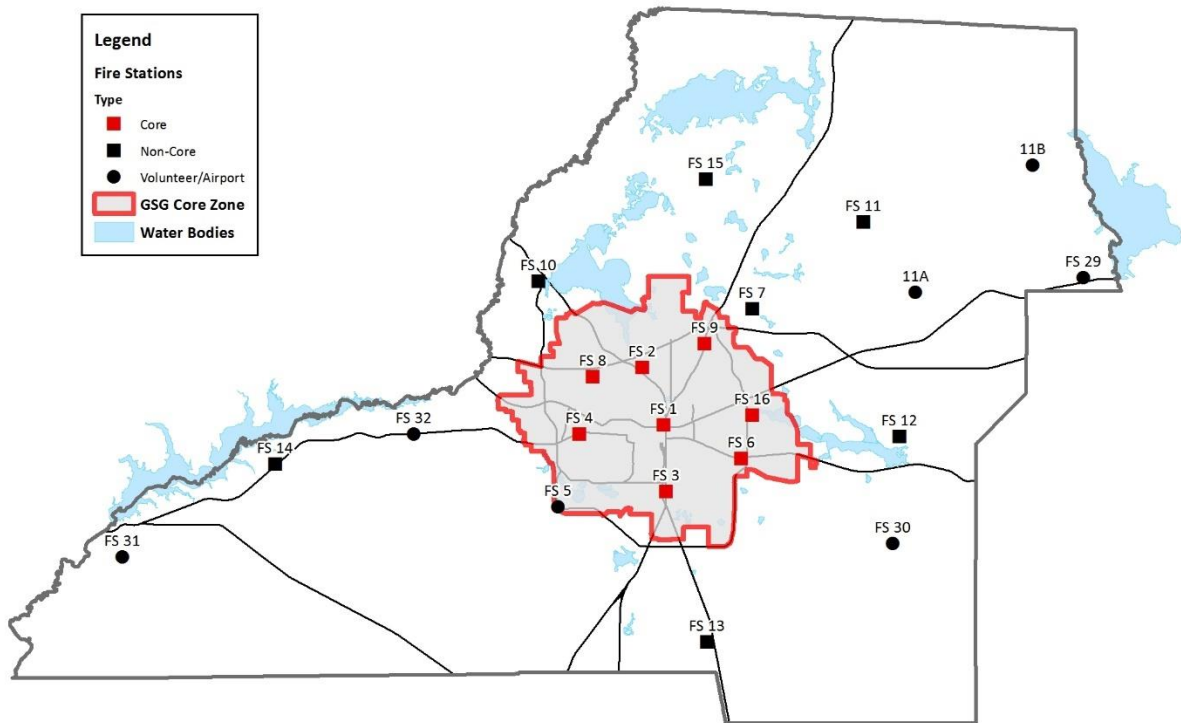
## DEPARTMENT OF REVENUE (DOR) CODES

<b>DOR Code - Description</b>	
0000 - Vacant Residential	
0004 - Vacant Condo	
0100 - Single Family Residential	
0107 - Townhomes	
0107 - Townhouse	
0200 - Mobile Homes	
0300 - Multi-Family(10 or More Units)	
0400 - Condominia Improved	
0600 - Retirement Homes Not Eligible	
0700 - Miscellaneous Residential	
0800 - MFR < 10 Units - Residential	
0805 - MFR < 10 Units - Commercial	
0900 - Residential Common Elements/Areas	Not Charged
1000 - Vacant Commercial	
1100 - Stores, One Story	
1200 - Mixed Use, Store/Office/Resi	
1300 - Department Store	
1400 - Supermarkets	
1500 - Regional Shopping Centers	
1600 - Community Shopping Centers	
1700 - Office Buildings/Nonprof/One	
1800 - Office Buildings/Nonprof/Multi	
1900 - Professional Service & Medical	
2000 - Airports, Terminals, Piers	
2100 - Restaurants, Cafeterias	
2200 - Drive In Restaurants	
2300 - Financial Institutions	
2500 - Repair Service Shops	
2600 - Service Stations	
2700 - Auto Sales, Repair & Related	
2800 - Parking Lots, Commercial	
3200 - Enclosed Theatres/Auditoriums	
3300 - Night Clubs, Lounges, Bars	
3400 - Bowling, Skating, Pool Enclose	
3500 - Tourist Attraction, Exhibits	
3800 - Golf Courses, Driving Ranges	
3900 - Hotels, Motels	
4000 - Vacant Industrial	
4100 - Light Industrial	
4800 - Warehousing, Distribution	
4900 - Open Storage, Supply/Junkyards	
5000 - Improved Agriculture	
5100 - Cropland, Class I	
5200 - Cropland, Class II	
5400 - Timberland, Index 90+	
5500 - Timberland, Index 80-90	
5600 - Timberland, Index 70-79	
5700 - Timberland, Index 60-69	
5800 - Timberland, Index 50-59	
5900 - Timberland, Not Classed	
6000 - Grazing, Class I	

<b>DOR Code - Description</b>	
6100 - Grazing, Class II	
6200 - Grazing, Class III	
6300 - Grazing, Class IV	
6600 - Orchard, Groves, Citrus	
6900 - Ornamentals, Misc	
7000 - Vacant Institutional	
7100 - Churches	
7200 - Private Schools/Colleges	
7300 - Privately Owned Hospitals	
7400 - Homes for the Aged	
7500 - Orphanages, Other Services	
7600 - Mortuaries, Cemeteries	
7700 - Clubs, Lodges, Union Halls	
7900 - Cultural Organization Facil	
8000 - Vacant Governmental	
8100 - Military	
8200 - Forest, Parks, Recreation Area	
8300 - Public County School	
8400 - Colleges	
8500 - Hospitals	
8600 - County	
8700 - State	
8800 - Federal	
8900 - Municipal	
9100 - Utilities	
9200 - Mining, Petroleum/Gas	
9400 - Rights-of-Way	Not Charged
9500 - Rivers, Lakes, Submerged Lands	Not Charged
9600 - Sewage Disposal, Solid Waste	Not Charged
9700 - Outdoor Recreational	
9800 - Centrally Assessed/Railroads	Not Charged
9900 - Vacant Acreage, Not Agri	
9901 - Imp acre, Not Agri	

# Appendix E

## MAP OF SERVICE ZONES



**INTERLOCAL AGREEMENT REGARDING THE PROVISION OF  
FIRE AND EMERGENCY MEDICAL SERVICES**

This Interlocal Agreement ("Agreement") is made and entered into as of this 16<sup>th</sup> day of April, 2009, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), and the City of Tallahassee, Florida, a Florida municipal corporation (the "City"), collectively the Parties.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the Parties do hereby agree as follows:

Section 1. Administrative Management Committee.

An Administrative Management Committee (AMC), which shall consist only of the County Administrator and City Manager, shall make recommendations on policy to the Parties and execute the terms and conditions of this Agreement. The AMC shall appoint a Fire Chief and an EMS Chief who shall serve until said appointee shall resign or shall be terminated either by the County Administrator or the City Manager. The current Fire Chief and EMS Chief are hereby deemed appointed to their respective positions.

Section 2. Provision of Services.

A. Emergency Medical Services. The City shall provide Advanced Life Support (ALS) services continuously within the Primary Response Area (PRA) of those fire stations as designated by the AMC in Exhibit A. The County shall provide a Medical Director for ALS and Basic Life Support (BLS) services provided by the City to the County, who shall meet all requirements of, and perform the duties and obligations required of a medical director under, Chapter 401, Florida Statutes.

B. Fire Services. The City shall provide Fire Services continuously within the PRA of all fifteen (15) fire stations as designated in Exhibit B, and shall provide a level of services and maintain both minimum staffing and apparatus in accordance with a fire services five-year rate study (Rate Study), which upon adoption by the Parties will be made a part of this Agreement as Exhibit C. Fire stations may change from time to time to meet changing needs, but in no event shall the location change nor the number of fire stations decrease without the prior approval of the County.

Section 3. Funding of and Payment for Services.

The Rate Study, Exhibit C, shall be utilized to determine the amount of a special assessment and fire services fee to be imposed by the Parties during the period of the study. The AMC shall authorize development of a new Rate Study, including both Fire and Emergency Medical Services, not less than 18 months prior to expiration of the then Current Term, subject to the provisions of Section 4. Each such Rate Study, the cost of which shall be paid equally from Fire Services funds and Emergency Medical Services funds, shall be made a part of this Agreement upon adoption by the Parties.

The Parties may levy an annual fire services special assessment on each parcel or subdivided lot within the jurisdictional boundaries of the Parties for the provision of Fire Services consistent with the Rate Study, Exhibit C, and the City shall collect the same, including in the unincorporated area unless otherwise collected utilizing the provisions of §197.3632, Florida Statutes. The Parties shall levy and the City shall collect an annual fire services fee on each parcel or subdivided lot within the jurisdictional boundaries of the Parties for the provision of Fire Services consistent with the Rate Study, Exhibit C, which are not otherwise assessed.

The EMS MSTU Ordinance shall be revised or amended by the City prior to the Commencement Date hereof, so that the subject ordinance shall expire not earlier than the last day of the then Current Term. Payment for services shall be as provided in Exhibit D.

Section 4. Exhibits and Supplemental Provisions.

Exhibits A, B, C, D and E are attached hereto and incorporated herein as if fully set forth below. The Parties shall comply with the provisions set forth in Exhibits D and E.

IN WITNESS WHEREOF, the Parties cause this Agreement to be executed by their duly authorized representatives this 16<sup>th</sup> day of April, 2009.

**LEON COUNTY, FLORIDA**

Attested by:  
Bob Inzer, Clerk of the Court

By: John Stott, Deputy Clerk  
Bob Inzer, Clerk

Approved as to form:  
County Attorney's Office

By: Herbert W.A. Thiele, Esq.  
County Attorney

By: Bryan Desloge, Chairman  
Board of County Commissioners

Date: 4/16/09

**CITY OF TALLAHASSEE, FLORIDA**

Attested by:  
Gary Herndon, City Treasurer-Clerk

By: Gary Herndon

Approved as to form:  
City Attorney's Office

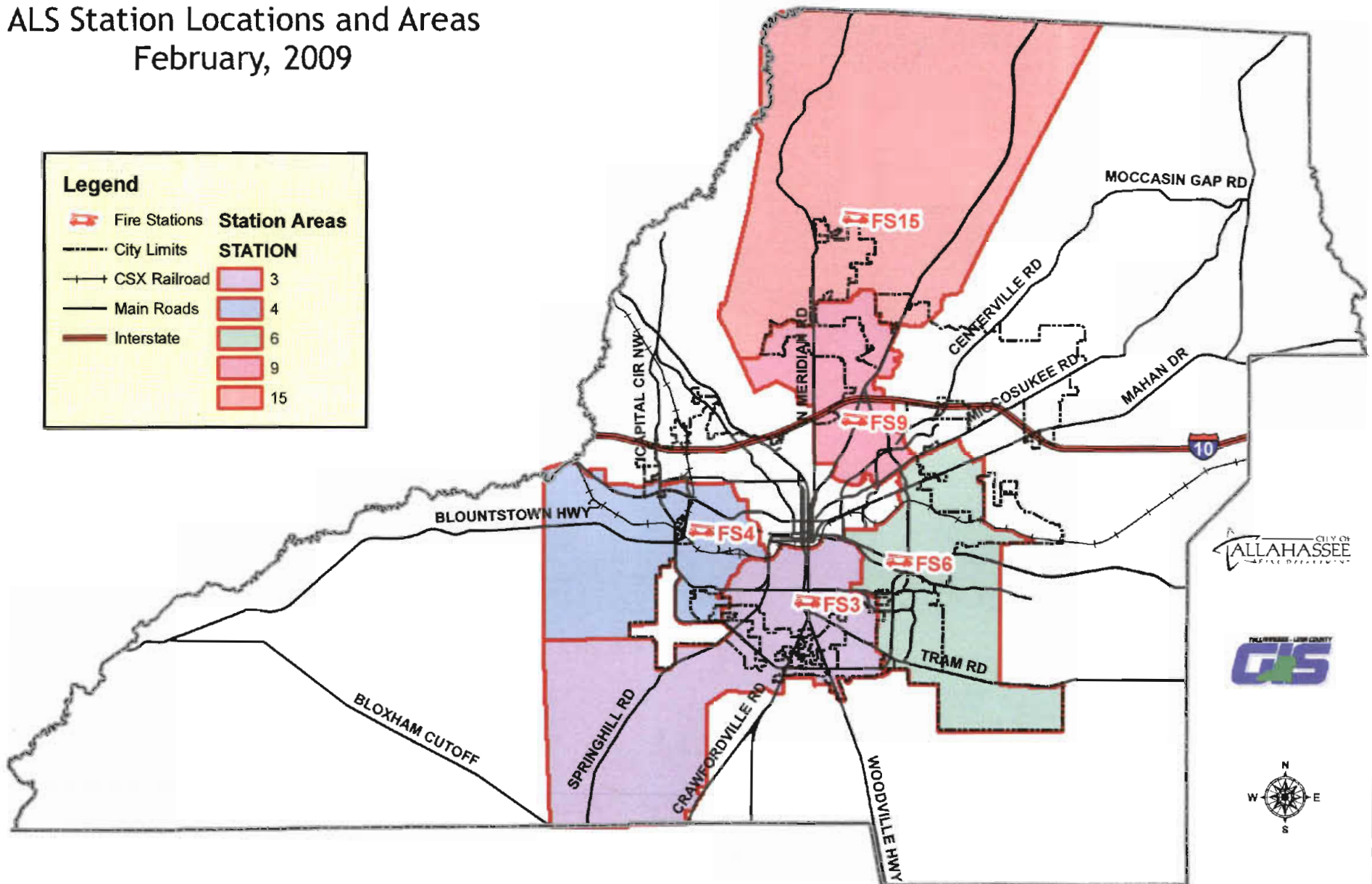
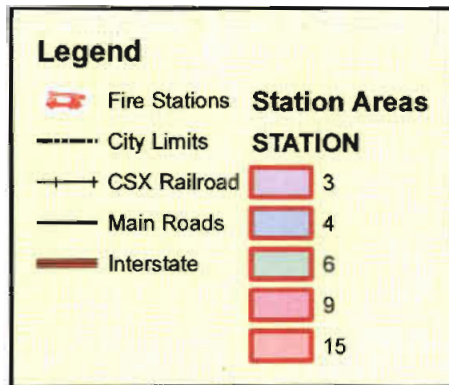
By: James R. English, Esq.  
City Attorney

By: John R. Marks, III  
Mayor, City of Tallahassee

Date: 4/16/09

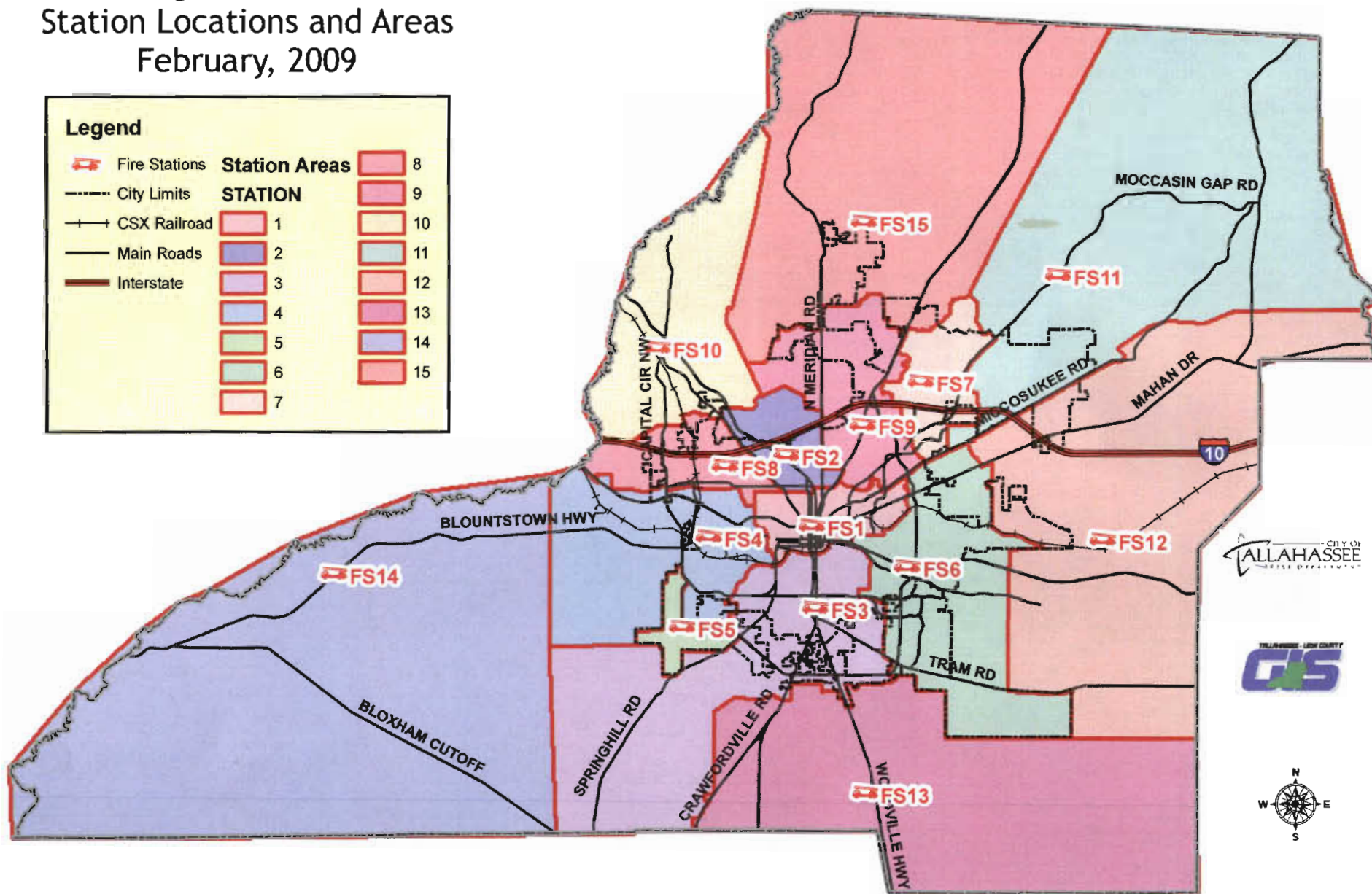
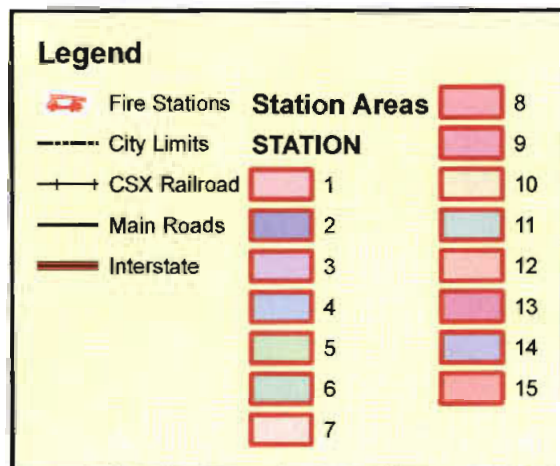
# Tallahassee Fire Department

## Interlocal Agreement - Exhibit A: ALS Station Locations and Areas February, 2009



# Tallahassee Fire Department

## Interlocal Agreement - Exhibit B: Station Locations and Areas February, 2009



## **Exhibit D**

### **Payment for Services**

1. The City shall collect all fire services fees and assessments imposed by the Parties, in both the incorporated and unincorporated areas of Leon County. The City hereby acknowledges that its collection of any fire services fees and assessments imposed by the County shall constitute full payment by the County to the City for all Fire Services provided under the Agreement, subject to the provisions of paragraph 7. Revenues from the unincorporated area will be accounted for in a separate revenue line within the Fire Services Fund.

2. On a quarterly basis and at the end of each fiscal year, the City will provide the County reports identifying total fire services fee revenue collections in the unincorporated area.

3. On or before the 10th day of October of each fiscal year, the City will remit to the County the amount included in the Rate Study for that fiscal year for the support of Volunteer Fire Departments.

4. The County agrees to pay the City the following amounts for all ALS services, as follows:

On or before the 10<sup>th</sup> day of each quarter (October, January, April and July), the County shall pay the City the amount of \$675,503 for FY2010, \$690,364 for FY2011, \$705,552 for FY2012, \$721,074 for FY2013 and \$736,938 for FY2014.

5. Both the City and County recognize that fire services fee rates are based on an average assessable five-year budget. Possible surplus revenues collected in the early years are intended to offset probable increased costs in the latter years of the five-year rate study period. Any excess funds at the end of each fiscal year will be transferred into a Fire Services Reserve fund for future appropriation.

6. Increases in annual appropriations to the Fire Services Fund shall be restricted to the growth rates in expenditures as identified in the Rate Study. Deviation from these growth rates will need to be approved by the AMC and ratified by the City Commission.

7. Within six months of the end of each fiscal year, both Parties shall make a financial determination as to the percentage of fire services fees and assessments collected in proportion to the amounts billed for Fire Services for that fiscal year. In the event the amount collected is less than 95% of the amount billed by or on behalf of that Party for such fiscal year, that Party shall be responsible for remitting funds necessary to equal 95% of the amount billed, to the Fire Fund. If an annual shortfall occurs in the Fire Services Fund the AMC shall determine whether Fire Services Reserve funds should be released to address the deficiency. If Fire Services Reserve funds are not adequate, the AMC may make a recommendation on how to address the shortfall to the Parties and may authorize a new rate study be undertaken.

## Exhibit E

### 1. Effective Date; Term; Termination; Default.

- A. This Agreement shall be effective on the Effective Date. The initial Current term shall commence on October 1, 2009 ("Commencement Date") and continue for a term of five years or until terminated in accordance with this Exhibit. This Agreement shall be extended automatically for an unlimited number of additional five (5) year terms, subject to the provisions of this Exhibit.
- B. 1. Should either Party desire to terminate this Agreement, it may do so by adopting the appropriate resolution so declaring its intent to terminate and notify the other Party not later than eighteen (18) months before expiration of the then Current Term. In such event, this Agreement shall terminate at the end of the then Current Term.
2. Should both Parties desire to terminate the Agreement before expiration of the then Current Term, the Agreement shall be deemed terminated upon the effective date of such termination.
- C. 1. Should the City repeal or in any manner amend the EMS MSTU Ordinance without the prior written consent of the County except as otherwise provided herein, the City shall be deemed in default and the County may at its option forthwith terminate this Agreement.
2. If either Party fails to comply with any of the material terms or conditions of this Agreement or defaults in any of its material obligations under this Agreement and shall fail, within thirty (30) calendar days after written notice from the other Party, to correct such default or noncompliance, the non-defaulting Party may, at its option, forthwith terminate this Agreement.
- D. 1. If this Agreement is terminated, the ownership of all equipment, all vehicles, and all medical supplies provided by the County or purchased by the City solely with funding provided by the County under this Agreement, shall revert to the County. The City shall convey such property to the County, "AS IS" AND WITHOUT WARRANTY OF ANY KIND and without further liability therefore, no later than thirty (30) days after the effective date of such termination.
2. (a) Upon termination of this Agreement, the City agrees to sell, at the sole option of the County: (1) fire stations 10 through 14, inclusive of land, or any interest therein, and the structures attached thereto, to the County at a price equal to the City's investment in same, but in no event to exceed \$525,000; and/or (2) fire station 15, inclusive of land, or any interest therein, and the structure attached thereto, to the County at a price equal to the City's investment in same; and

(b) Upon termination of this Agreement, the City agrees to sell to the County, at the sole option of the County, all firefighting apparatus and vehicles located in stations 10-14 for a price equal to the unamortized portion of the equipment cost using a 15 year depreciation schedule for each tanker/pumper and engine and a 10 year depreciation schedule for each quick response vehicles and brush truck. In the event that the County does not elect to purchase any station which is constructed on land provided by the County, the City shall have the option to purchase the land from the County at its Fair Market Value.

- E. The grounds for termination and the remedies set forth in this Exhibit are intended to be cumulative with those set forth in other paragraphs of the Agreement, as well as those otherwise available to the parties at law or in equity.

2. ALS Equipment and Supplies.

The County shall provide to the City all non-capital equipment, all repair services and replacements for such equipment, and all medical supplies and medications, as specified by the Medical Director or otherwise provided for in the Medical Protocols for use by the City in providing ALS Services; provided, however, that such obligation shall not include providing any of the following items: long spine boards, Kendrick Extrication Device, Sager Traction Splint, portable suction device, or Basic Life Support bandaging supplies not being routinely purchased by the City on the date first written above. All equipment, medical supplies, and medications furnished by the County to the City shall be of the same type, brand, and kind as used by the County in relation to its provision of Emergency Medical Services. Upon termination of this Agreement, the City shall return to the County all such equipment, supplies and medications, which was provided by the County and is then in possession of the City.

3. Definitions.

Unless otherwise defined in this Agreement, the following words and phrases shall have the following meanings:

- A. "Advanced Life Support" or "ALS" shall mean treatment of life-threatening medical emergencies through the use of techniques such as endotracheal intubation, the administration of drugs or intravenous fluids, telemetry, cardiac monitoring, and cardiac defibrillation by a qualified person, pursuant to rules of the FDOH.
- B. "Agreement" shall mean this Agreement and all exhibits and documents that are expressly incorporated therein by reference.
- C. "Basic Life Support" or "BLS" shall mean treatment of medical emergencies by a qualified person through the use of techniques such as patient assessment, CPR, splinting, obstetrical assistance, bandaging, administrative oxygen, administration of a subcutaneous injection using a pre-measured auto-injector of epinephrine to a person suffering an anaphylactic reaction, and other techniques

described in the Emergency Medical Technician Basic Training Course Curriculum of the United States Department of Transportation.

- D. "City" shall mean the City of Tallahassee, a Florida municipal corporation.
- E. "County" shall mean Leon County, Florida, a Political Subdivision of the State of Florida, a Charter County.
- F. "Current Term" shall mean the five (5) year term of this Agreement in effect at a particular point in time.
- G. "Effective Date" shall mean the date upon which the last Party has fully executed this Agreement in accordance with the formalities imposed upon such entity required by Florida Law.
- H. "Emergency Medical Services" or "EMS" shall mean the provision of ALS and BLS services.
- I. "EMS Chief" shall mean the County employee primarily responsible for the administration and operation of the Leon County Emergency Medical Services Department.
- J. "EMS MSTU Ordinance" shall mean City Ordinance No. 03-O-36AA adopted by the City on June 25, 2003, and all amendments thereto.
- K. "FDOH" shall mean the Florida Department of Health.
- L. "Fire Chief" shall mean the City employee primarily responsible for administration and operation of the Tallahassee Fire Department.
- M. "Fire Services" shall mean the provision of the fire suppression and related services, facilities and programs. The term "Fire Services" does not include BLS or ALS services.
- N. "Medical Director" shall mean the licensed emergency physician designated by the County to serve as the Medical Director with regard to the provision of Emergency Medical Services by the County and by the City, all in accordance with Chapter 401, Florida Statutes.
- O. "Medical Protocol" shall mean any diagnosis-specific or problem-oriented written statement of standard procedure, or algorithm, promulgated by the Medical Director as the medically appropriate standard of out-of-hospital care for a given clinical condition.
- P. "Party(ies)" means either the City or County, or both.

- Q. "Primary Response Area" shall mean the area, within which City vehicles and personnel from a specified fire station shall have primary duties for response to requests for services.
- R. "Volunteer Fire Department" or "VFD" shall mean volunteer firefighters who are members of existing and future County approved volunteer firefighting organizations in the unincorporated area of the County.

4. Leon County Volunteer Fire Departments.

- A. The City shall establish mutual aid agreements with all Volunteer Fire Departments. Such agreements shall include dispatching, required training, on-scene command and control, communications, co-location, and VFD procurement of supplies and equipment using City contracts.
- B. Surplus Apparatus Property: As determined by the Fire Chief, serviceable apparatus that has been phased out of Tallahassee Fire Department inventory by the City shall be offered for lease to the VFD at a cost of one (1) dollar per year.

5. Conditions Precedent.

The effectiveness of this Agreement shall be specifically conditioned upon both Parties approving the Rate Study, and by addendum incorporating same into this Agreement as Exhibit C, not later than September 30, 2009.

6. Miscellaneous Provisions.

- A. Amendments. The Parties hereby acknowledge that the terms hereof constitute the entire understanding and agreement of the Parties with respect to the subject matter hereof. No modification hereof shall be effective unless in writing, executed with the same formalities as this Agreement, in accordance with general law.
- B. Assignment. The Parties agree not to assign any of the services specified by this Agreement to a third-party without the prior written consent of the other Party.
- C. Indemnification. Each party agrees to indemnify, defend and hold harmless the other party, its officials, officers, and employees, from and against all liabilities, damages, costs and expenses, including but not limited to a reasonable attorney's fee, to the extent the same are caused by the negligent or wrongful acts or omissions of the indemnifying party, or its officials, officers, or employees, in the performance of this Agreement. The liability of each party, as set forth in this Paragraph, is intended to be consistent with limitations of Florida law, including the state's waiver of sovereign immunity pursuant to Section 768.28, Florida Statutes. No obligation imposed by this Paragraph shall be deemed to alter said waiver or to extend the liability of a party beyond such limits, nor shall any such obligation be deemed or construed as a waiver of any defense of sovereign immunity to which the indemnifying party may be entitled.

D. Conflict Resolution.

1. The Parties shall attempt to resolve any disputes that arise under this Agreement in good faith and in accordance with this Paragraph. The provision of the "Florida Governmental Conflict Resolution Act" shall not apply to disputes under this Agreement, as an alternative dispute resolution process is hereby set forth in this section. The aggrieved Party shall give written notice to the other Party in writing, setting forth the nature of the dispute, date of occurrence (if known), and proposed resolution, hereinafter referred to as the "Dispute Notice."

2. Should the Parties be unable to reconcile any dispute, the appropriate City and County personnel shall meet at the earliest opportunity, but in any event within ten (10) days from the date that the Dispute Notice is received, to discuss and resolve the dispute. If the dispute is resolved to the mutual satisfaction of both, they shall report their decision, in writing, to the City Manager and County Administrator. If they are unable to reconcile their dispute, they shall report their impasse to the City Manager and the County Administrator who shall then convene a meeting of the City Manager and County Administrator at their earliest opportunity, but in any event within 20 days following receipt of a Dispute Notice, to attempt to reconcile the dispute.

3. If a dispute is not resolved by the foregoing steps within thirty (30) days after receipt of the Dispute Notice, unless such time is extended by mutual agreement of the Parties, then either Party may require the dispute to be submitted to mediation by delivering written notice thereof (the "Mediation Notice") to the other Party. The mediator shall meet the qualifications set forth in Rule 10.010(c), Florida Rules for Mediators, and shall be selected by the Parties within 10 days following receipt of the Mediation Notice. The mediation shall also with sufficient knowledge and experience in Fire and Emergency Medical Service matters. If agreement on a mediator cannot be reached in that 10-day period, then either Party can request that a mediator be selected by an independent conflict resolution organization, and such selection shall be binding on the Parties. The costs of the mediator shall be borne equally by the Parties.

4. If an amicable resolution of a dispute has not been reached within 60 calendar days following selection of the mediator, or by such later date as may be mutually agreed upon by the Parties, then such dispute may be referred to binding arbitration by either Party. Such arbitration shall be conducted in accordance with the Florida Arbitration Code (Chapter 682, Florida Statutes).

(a) Such arbitration shall be initiated by delivery, from one Party (the "Claimant") to the other (the "Respondent"), or a written demand therefore containing a statement of the nature of the dispute and the amount, if any, involved. The Respondent, within ten (10) days following its receipt of such demand, shall deliver an answering statement to the Claimant. After the delivery of such statements, either

Party may make new or different claims by providing the other with written notice thereof specifying the nature of such claims and the amount, if any, involved.

(b) Within ten (10) days following the delivery of such demand, each Party shall select an arbitrator and shall delivery written notice of that selection to the other. If either Party fails to select an arbitrator within such time, the other Party may make application to the court for such appointment in accordance with the Florida Arbitration Code. Within ten (10) days following delivery of the last of such written notices, the two arbitrators so selected shall confer and shall select a third arbitrator.

(c) The arbitration hearing shall be commenced in Leon County, Florida within sixty (60) days following selection of the third arbitrator. Except as may be specifically provided herein, the arbitration shall be conducted in accordance with Rules R-23 – R-48 of the Commercial Arbitration Rules of the American Arbitration Association.

- E. Reporting Requirement and Billing for Services. The City shall not be entitled to bill or otherwise charge, in any manner whatsoever, recipients of Emergency Medical Services provided under this Agreement, such authority hereby being reserved to the County. The City hereby assigns to the County any and all rights to recover the costs, expenses, charges or fees to be imposed upon recipients of such Emergency Medical Services provided by the City under this Agreement. The City shall promptly input and provide to the County all recipient patient and billing data received in the course of providing Emergency Medical Services under this Agreement.
- F. Notice. If written notice to a Party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested, to the County as follows:

County Administrator  
Leon County Courthouse  
301 S. Monroe Street  
Tallahassee, FL 32301

With a copy to –

Chief, Emergency Medical Services  
2290 Miccosukee Road  
Tallahassee, FL 32308

and to the City as follows:

City Manager  
City Hall  
300 S. Adams Street, Box A-21  
Tallahassee, FL 32301

With a copy to –

Fire Chief  
327 N. Adams Street  
Tallahassee, FL 32301

- G. Choice of Law, Venue, and Severability. This Agreement shall be construed and interpreted in accordance with Florida Law. Venue for any action brought in relation to this Agreement shall be placed in a court of competent jurisdiction in Leon County, Florida. If any provision of this Agreement is subsequently held invalid, the remaining provisions shall continue in effect.
- H. Force Majeure. A party's timely performance of its obligations under this Agreement, only to the extent it is specifically affected thereby, shall be suspended, without forfeiture of any performance bond or the incurring of any financial liability, when and only for as long as performance of such obligations is prevented by reason of any of the following cases: (i) acts of God, including without limitation severe weather events, (ii) operation of law, and (iii) any other event beyond the reasonable control of the party whose performance is affected, to the extent not caused by such party's willful or negligent acts or omissions, except in those cases where that party could have reasonably foreseen and reasonably avoided the occurrence. The party affected by any such event shall give written notice thereof to the other party as soon as practicable after it becomes aware of such an event and, to the extent practicable, shall specify the anticipated length of the delay. The affected party shall use reasonable efforts to minimize the impact of that delay on that party's performance. Neither party shall be liable to the other for damages caused by such events.

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**RESOLUTION NO. R09- 11**

**RESOLUTION OF INTENT TO UTILIZE THE UNIFORM  
METHOD OF COLLECTING SPECIAL ASSESSMENTS**

**WHEREAS**, it is mutually beneficial for Leon County and the City of Tallahassee County to cooperate in providing fire rescue services in the most efficient manner possible in order to promote the health, safety and general welfare of its citizenry; and

**WHEREAS**, the County and City desire to create a uniform administrative and financial mechanism for the provision of such fire rescue services to the citizens of Leon County on an equitable basis; and

**WHEREAS**, the City of Tallahassee and Leon County intend to enter into an Interlocal Agreement to administer the provision of fire suppression, fire prevention, and emergency medical services countywide; and

**WHEREAS**, the Interlocal Agreement by and between Leon County and the City of Tallahassee provides for the funding and payment for fire rescue services by means of the levy and collection of special assessments upon benefited property; and

**WHEREAS**, the Board of County Commissioners has determined that the properties which are specially benefited by the provision of fire rescue services shall be equitably assessed the costs of providing such fire rescue services; and

**WHEREAS**, Leon County has published its intent to utilize the Uniform Method for levying, collecting and enforcing such assessments and future assessments, pursuant to Section 197.3632, Florida Statutes, weekly in a newspaper of general circulation within Leon County for four consecutive weeks preceding the hearing; and

**WHEREAS**, Leon County wishes to utilize the Uniform Method for the levy, collection, and enforcement of non-ad valorem assessments for fire rescue services for properties located in

the unincorporated area of the County to be imposed pursuant to special law, general law, or municipal or county ordinance now and in the future.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of County Commissioners of Leon County, Florida, assembled in regular session this 26<sup>th</sup> day of February, 2009, pursuant to Chapter 197, Florida Statutes, hereby states its intention to utilize the Uniform Method of levying and collecting any and all non-ad valorem assessments for fire rescue services, and hereby finds it in the best interests of the County to levy, collect, and enforce all non-ad valorem assessments for fire rescue services imposed upon properties located in the unincorporated area of Leon County in the future.

Proposed, presented and passed by the Board of County Commissioners of Leon County, Florida, this 26<sup>th</sup> day of February, 2009.

LEON COUNTY, FLORIDA

BY: *Bryan Desloch*  
BRYAN DESLOCH, CHAIRMAN  
BOARD OF COUNTY COMMISSIONERS

ATTESTED BY:

BOB INZER, CLERK OF THE COURT  
LEON COUNTY, FLORIDA



BY: *[Signature]*

APPROVED AS TO FORM:  
COUNTY ATTORNEY'S OFFICE  
LEON COUNTY, FLORIDA

BY: *[Signature]*

HERBERT W.A. THIELE, ESQ.  
COUNTY ATTORNEY

**FIFTH AMENDMENT TO INTERLOCAL AGREEMENT  
REGARDING THE PROVISION OF FIRE AND  
EMERGENCY MEDICAL SERVICES**

This Fifth Amendment to the Interlocal Agreement Regarding the Provision of Fire and Emergency Medical Services ("Fifth Amendment") is made and entered into as of this 8 day of October, 2021, by and between Leon County, Florida, a charter county and political subdivision of the State of Florida (the "County"), and the City of Tallahassee, Florida, a Florida municipal corporation (the "City"), (collectively the "Parties" and each individually a "Party").

**RECITALS**

**WHEREAS**, the Parties entered into an Interlocal Agreement Regarding the Provision of Fire and Emergency Medical Services, dated April 16, 2009; First Amendment to Interlocal Agreement Regarding the Provision of Fire and Emergency Medical Services, dated June 9, 2009; Second Amendment to the Interlocal Agreement Regarding the Provision of Fire and Emergency Medical Services, dated September 5, 2013; Third Amendment to the Interlocal Agreement Regarding the Provision of Fire and Emergency Medical Services, dated October 21, 2013; and Fourth Amendment to the Interlocal Agreement Regarding the Provision of Fire and Emergency Medical Services, dated July 8, 2015 (collectively, the "Agreement"); and

**WHEREAS**, the Agreement establishes the funding of and payment for fire services, and the Second Term Rate Study, Exhibit F to the Agreement, is utilized to determine the amount of the special assessments and fire services fees to be imposed by the Parties during the period of the Second Term, which term expires on October 1, 2025; and

**WHEREAS**, the City, working closely with the County, has completed a detailed review and analysis of the fire department budget for Fiscal Year 2022, which found that over the immediate past six years, the costs of services have significantly increased, primarily associated

with personnel, the replacement of firefighting equipment, and the construction of a fire station, resulting in a shortfall of funding of and payment for fire services; and

**WHEREAS**, the Parties wish to authorize the development of a new rate study to uniformly charge and assess properties for fire services in both the City and unincorporated areas of the County in order to ensure that fire services are properly funded, with such rate study having being completed prior to the Fiscal Year 2024 budget development process; and

**WHEREAS**, in the interim, the County wishes to offset the increased payments for fire services in the unincorporated area by contributing an additional \$1.4 million for Fiscal Year 2022 and \$1.6 million in Fiscal Year 2023 to the Fire Services Fund utilizing sources of funding other than special assessments; and

**WHEREAS**, the City has previously approved a rate resolution, effective October 1, 2021, to offset its pro rata share of the increased payments for fire services; and

**WHEREAS**, Exhibit E, paragraph 6.A. of the Agreement provides that modifications to the Agreement may be effectuated upon written agreement of the Parties; and

**WHEREAS**, the Parties wish to further amend the Agreement to address the immediate funding shortfalls and authorize a new rate study to be undertaken.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises hereinafter set forth, the Parties do agree as follows:

1. The Recitals set forth above are true and correct and are incorporated herein and by reference made a part hereof.

2. Exhibit D of the Interlocal Agreement is hereby amended to add a new paragraph 8, as follows:

8. A shortfall exists in the Fire Services Fund as a result of annual recurring costs substantially in excess of the amounts

charged, assessed and collected by the Parties pursuant to the Second Term Rate Study, and the Fire Services Reserve funds are not adequate to address the deficiency. For Fiscal Years 2022 and 2023, each Party shall offset its pro rata share of the shortfall in the Fire Services Fund as follows:

A. The City shall remit an additional \$5.3 million for Fiscal Year 2022 and \$6.3 million for Fiscal Year 2023 from funds collected pursuant to Resolution No. 20-R-33, effective October 1, 2021, or any successor rate resolution.

B. The County shall remit an additional \$1.4 million for Fiscal Year 2022 and \$1.6 million in Fiscal Year 2023 to the Fire Services Fund from sources other than fire services assessment funds received by the County. Such amounts shall be remitted by the County to the City within sixty (60) days following the commencement date of the respective Fiscal Year.

3. Not later than October 1, 2022, the Administrative Management Committee (AMC) shall authorize development of a new rate study (the "Third Rate Study"), which shall be completed prior to the Fiscal Year 2024 budget development process for consideration by the Parties' respective commissions. The Third Rate Study, the cost of which shall be paid from Fire Services funds, shall be developed utilizing a structure mutually agreed to by the AMC.

4. Except as expressly modified or amended by this Fifth Amendment, all terms and provisions of the Agreement shall remain in full force and effect.


5. Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Agreement.

6. This Fifth Amendment shall become effective upon full execution by the Parties.

**IN WITNESS WHEREOF**, the Parties have caused this Fifth Amendment to the Interlocal Agreement to be executed by their duly authorized representatives the date first written above.

CITY OF TALLAHASSEE



By:   
By: Raoul Lavin (Jan 31, 2022 10:24 EST)

Reese Goad  
City Manager

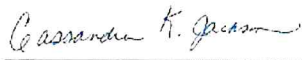
ATTEST:

By: 

James O. Cooke, IV  
City Treasurer-Clerk

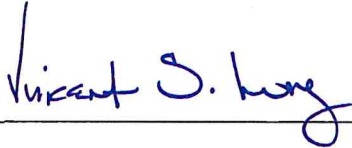


Approved as to form:  
City Attorney's Office

By: 

Cassandra Jackson  
City Attorney

LEON COUNTY, FLORIDA

By: 

Vince Long  
County Administrator

ATTEST:

By: 

Gwen Marshall, Clerk of the Court  
& Comptroller, Leon County, Florida



Approved as to form:  
Leon County Attorney's Office

By: Chasity H. O'Steen  
Digitally signed by Chasity H. O'Steen  
Date: 2021.08.10 11:13:01 -04'00'

Chasity H. O'Steen  
County Attorney

## Non-residential Current and Proposed Fire Assessment Tier Changes

### Commercial Rates Unincorporated Area

Commercial Sq. Ft.	<u>Zone 1</u> (31% increase)				<u>Zone 2</u> (33% increase)			
	Number of Units	Current Rate	Proposed Rate	Difference	Number of Units	Current Rate	Proposed Rate	Difference
<=1,999	108	\$293	\$384	\$91	136	\$267	\$356	\$89
2,000 to 3,499	86	\$585	\$768	\$183	135	\$533	\$712	\$179
3,500 to 4,999	44	\$1,023	\$1,344	\$321	72	\$933	\$1,245	\$312
5,000 to 9,999	70	\$1,461	\$1,920	\$459	114	\$1,332	\$1,779	\$447
10,000 to 19,999	45	\$2,921	\$3,840	\$919	54	\$2,663	\$3,557	\$894
20,000 to 29,999	10	\$5,842	\$7,680	\$1,838	12	\$5,326	\$7,113	\$1,787
30,000 to 39,999	8	\$8,762	\$11,519	\$2,757	1	\$7,989	\$10,669	\$2,680
40,000 to 49,999	0	\$11,683	\$15,359	\$3,676	3	\$10,652	\$14,226	\$3,574
50,000 to 59,999	1	\$14,603	\$19,198	\$4,595	0	\$13,315	\$17,782	\$4,467
60,000 to 69,999	3	\$17,524	\$23,038	\$5,514	4	\$15,978	\$21,338	\$5,360
70,000 to 79,999	1	\$20,444	\$26,877	\$6,433	2	\$18,641	\$24,895	\$6,254
80,000 to 89,999	0	\$23,365	\$30,717	\$7,352	1	\$21,304	\$28,451	\$7,147
90,000 to 99,999	0	\$26,285	\$34,557	\$8,272	1	\$23,967	\$32,007	\$8,040
>=100,000	4	\$29,206	\$38,396	\$9,190	2	\$26,630	\$35,564	\$8,934
Total	380				537			

### Industrial/Warehouse Rates Unincorporated Area

Commercial Sq. Ft.	<u>Zone 1</u> (123% increase)				<u>Zone 2</u> (50% increase)			
	Number of Units	Current Rate	Proposed Rate	Difference	Number of Units	Current Rate	Proposed Rate	Difference
<=1,999	15	\$28	\$63	\$35	24	\$76	\$114	\$38
2,000 to 3,499	21	\$56	\$125	\$69	48	\$152	\$227	\$75
3,500 to 4,999	12	\$98	\$218	\$120	32	\$265	\$398	\$133
5,000 to 9,999	37	\$139	\$311	\$172	64	\$378	\$568	\$190
10,000 to 19,999	21	\$278	\$621	\$343	32	\$756	\$1,135	\$379
20,000 to 29,999	11	\$556	\$1,242	\$686	8	\$1,511	\$2,270	\$759
30,000 to 39,999	4	\$834	\$1,863	\$1,029	1	\$2,266	\$3,405	\$1,139
40,000 to 49,999	4	\$1,112	\$2,484	\$1,372	0	\$3,021	\$4,540	\$1,519
50,000 to 59,999	0	\$1,390	\$3,104	\$1,714	0	\$3,776	\$5,674	\$1,898
60,000 to 69,999	0	\$1,668	\$3,725	\$2,057	0	\$4,532	\$6,809	\$2,277
70,000 to 79,999	0	\$1,946	\$4,346	\$2,400	1	\$5,287	\$7,944	\$2,657
80,000 to 89,999	0	\$2,224	\$4,967	\$2,743	2	\$6,042	\$9,079	\$3,037
90,000 to 99,999	0	\$2,502	\$5,587	\$3,085	0	\$6,797	\$10,213	\$3,416
>=100,000	0	\$2,780	\$6,208	\$3,428	1	\$7,552	\$11,348	\$3,796
Total	125				213			

**Leon County  
Board of County Commissioners**

**Notes for Workshop  
Agenda Item #3**

# Leon County Board of County Commissioners

## Budget Workshop Item #3

April 25, 2023

**To:** Honorable Chairman and Members of the Board

**From:** Vincent S. Long, County Administrator

**Title:** Consideration of Proposed Emergency Medical Services MSTU Increase

<b>Review and Approval:</b>	Vincent S. Long, County Administrator
<b>Department/ Division Review:</b>	Alan Rosenzweig, Deputy County Administrator
<b>Lead Staff/ Project Team:</b>	Scott Ross, Director, Financial Stewardship Roshaunda Bradley, Budget Manager

### **Statement of Issue:**

As presented to the Board during last year's budget development process, this item considers long-term Emergency Medical Services fiscal strategies to include increasing the EMS millage rate to support funding EMS operations.

### **Fiscal Impact:**

This item has a fiscal impact. This item recommends increasing the EMS Municipal Services Tax Unit (MSTU) by 0.25 mills for a total millage rate of 0.75 mills. This increase will generate an additional \$5.46 million in annual revenue for the EMS fund and eliminate the need to transfer any general revenue to support EMS operations.

### **Staff Recommendations:**

- Option #1: Establish the maximum Emergency Medical Services (EMS) Municipal Services Taxing Unit (MSTU) for FY 2024 at 0.75 mills.
- Option #2: Schedule the first and only public hearing to consider adoption of an Ordinance amending Chapter 11, Article XIII of the Leon County Code of Laws regarding the Emergency Medical Service Taxing Unit, for July 11, 2023 at 6:00 p.m.

## **Report and Discussion**

### **Background:**

Tallahassee Memorial Healthcare (TMH) provided Emergency Medical Services (EMS) within Leon County for over thirty years, funded through fees for services. On September 20, 2002, TMH announced that it would stop providing EMS on June 30, 2003 because the service was operating at an unsustainable deficit. As counties are authorized to provide ambulance services, this announcement required the County to consider how EMS services would be provided Countywide. The County engaged an industry expert to assist in developing several alternatives for EMS system design. The County opted to operate the EMS system as a function of County government as this option provides the most control over the efficiency and effectiveness of the EMS system; allowed the County to contain costs; provided the County with direct control to effectuate changes in service delivery; and created the level of oversight desired by the Board.

The County implemented a hybrid high-performance EMS system model because of the significant operational benefits for response times and the associated cost savings with the dynamic deployment of ambulances, which avoided large capital costs involved with constructing EMS stations throughout the County. Under the County's hybrid performance system most ambulances are located throughout the community based on factors such as historical call volume, the road network, available resources, and the ability to respond to emergency calls quickly. This hybrid deployment of ambulances allows the County the flexibility to alter coverage patterns, frequently change ambulance staging locations, and positively impact the efficiency and effectiveness of the EMS system. The hybrid model also includes placing fixed ambulances in three rural areas, Woodville, Chaires, and Fort Braden, due to the population density in those areas and the distance and associated time required to respond to calls in those areas and transport patients to the hospital. During the first full year of operation (January 2004 – December 2004), the County EMS Division responded to 26,481 requests for service.

As presented to the Board during the FY 2023 budget development process, this budget discussion item considers long-term EMS fiscal strategies to include increasing the EMS millage rate to support EMS operations. Since the inception of the County EMS Division in 2004, the program has experienced significant increases in call volume and corresponding costs to run the program; however, the EMS millage rate has remained unchanged. To provide taxpayer sensitivity, the County has delayed any property tax rate increases and instead implemented fiscal strategies to drawdown available dedicated EMS fund balances, leveraged additional Federal dollars, and increased general revenue contributions to support the growing demands for services. These deliberate steps taken by the County were intended to avoid property tax increases for County residents while providing fiscal stability for the EMS fund for several years, at which time the increase in the millage would be considered. As has been regularly presented to the Board in agenda items and previous Board workshops, while the County's efforts have resulted in no increase to the EMS MSTU for 19 years, this strategy now requires an EMS millage increase to fund a 94% increase in EMS call volume over that time.

When initially established as a County department, the funding mechanism for EMS included fees for services and a Municipal Service Taxing Unit (MSTU) set at a rate of 0.5 mills, which as

mentioned previously has remained unchanged. The MSTU is levied countywide (unincorporated areas of the county and incorporated area of the City of Tallahassee). As the MSTU is for a countywide purpose, the City of Tallahassee adopted an ordinance to allow the MSTU to be levied in the City limits (Florida law requires cities to approve Countywide MSTUs to be levied within the City limits).

When first implemented, this funding approach resulted in the MSTU providing 52% of revenues while user fees made up 48% of revenue. This strategy established appropriate funding levels to support the cost of operating the EMS system and provided a balanced approach where property taxes were supplemented with user fees. The user fees adopted by the County were recommended by the consultant and were consistent with the customary rates charged by TMH. The fee resolution included an annual increase in fees consistent with the Consumer Price Index, US City Average, for Medical Care as reported by the United States Department of Labor. The consultant found that TMH collected 37% of actual billings, meaning only 37% of total ambulance fees billed to customers for EMS services were collected. The consultant found that the County could achieve a higher rate of success in bill collections, so the County EMS billing model contemplated a 42% collections rate for budgeting purposes.

As is typical for all EMS agencies, the County does not collect 100% of billings. Medicare and Medicaid pay for services based on a fee schedule that is set significantly lower than the amount the County bills for services and the actual cost of providing the service to the patient. In addition, the County is restricted from billing a patient for the unpaid balance of the account under Medicare and Medicaid guidelines. Private health insurers base their payment methodologies largely on Medicare fee schedules and often pay the County an amount lower than the amount billed, leaving the patient responsible for the balance. Additionally, approximately 23% of EMS billing accounts are self-pay/uninsured and a very small number of uninsured patients pay the County for the services provided, which results in annual uncollectable “write-offs.”

In 2018, an analysis of the EMS fee schedule provided by the County’s billing vendor found that the ambulance rates at that time were higher than most other Florida jurisdictions and exceeded 200% of Medicare rates. In response, the County reduced EMS fees by 24% (an average of \$250 per EMS account) and implemented a hardship policy to provide greater relief for those customers most in need of financial assistance. Prior to the fee reduction, the County’s collection rate dropped over the 14-year period from the projected 42% to 36%. However, since reducing fees the collection rate has returned to 42%.

As reflected in Table 1, in FY 2004 (the first year of services) the MSTU provided \$4.70 million or 52% of the funding for EMS, and user fees accounted for \$4.38 million or 48% of funding. As will be discussed in greater detail later in the item, currently user fees provide 40% of funding, the MSTU provides 35% of funding, the EMS fund balance provides 8% of funding, general revenue support provides 7% of funding, and other miscellaneous revenues (increased Medicaid reimbursements, special events, etc.) provide the remaining 10% of funding. The FY 2023 fund balance includes \$2.3 million appropriated for EMS vehicle and equipment replacements.

**Table 1: EMS Revenue Mix (Millions)**

	<b>FY 2004</b>		<b>FY 2023</b>	
User Fees	\$4.38	48%	\$11.69	40%
EMS MSTU	\$4.70	52%	\$10.15	35%
EMS Fund Balance	-	-	\$2.49	8%
General Revenue Support	-	-	\$2.00	7%
Misc. Revenues	-	-	\$2.84	10%
<b>Total</b>	<b>\$9.08</b>	<b>100%</b>	<b>\$29.17</b>	<b>100%</b>

To supplement the availability of paramedics in the community, the Board also approved an Interlocal Agreement with the City to provide Advanced Life Support (ALS) first response services (Agreement). Under the Agreement, the County provides annual funding, medical direction, and supplies and equipment to the City for the Tallahassee Fire Department (TFD) to provide ALS. TFD providing ALS is part of the overall dual response system utilized by the County and the City. Under this system, depending on the nature of the emergency call, both an ambulance and a TFD ALS unit will be dispatched. If a TFD ALS unit arrives first, it can administer advanced life support assistance until an ambulance arrives on the scene. The County's first year payment to the City was \$2.3 million. However, the contract provides for an annual inflationary increase to the County's TFD ALS payment to the City, which has resulted in a FY 2023 payment of \$3.58 million.

In July 2013, the County and City negotiated a comprehensive amendment to the Agreement that addressed several significant policy issues, including fire services and EMS. The amendment extended the Agreement for an additional 10 years (commencing October 1, 2015) and also required the City to concur to an increase of up to a quarter of a mill in the EMS MSTU at a point in the future, if the County determines it is necessary. The Agreement requires that the County provide a 60-day notice to the City to conduct the required public hearing to update the City's EMS MSTU Ordinance.

### **Analysis:**

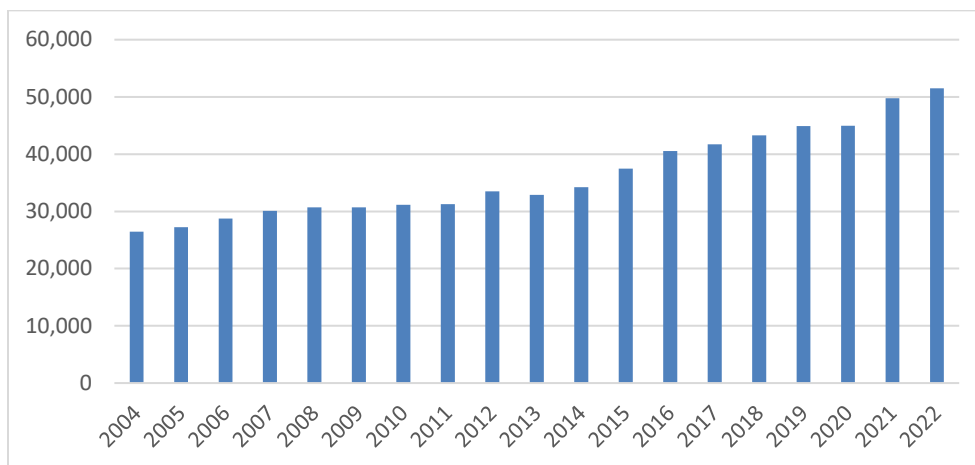
At previous budget workshops since FY 2014, the Board has regularly been presented information concerning the significant growth in call volume at the EMS Division and the financial condition of the EMS fund. As previously stated, the County has taken deliberate steps to address these growing demands for services while delaying increases in the EMS millage rate for as long as possible. The County has added EMS crews, provided pay adjustments and other employee retention incentives, leveraged Federal funds, implemented multi-year fiscal plans to draw down EMS fund balance, and provided additional general revenue support to provide financial stability for EMS for several years. These plans were intentional in providing funding for much needed expenditures while avoiding anticipated tax and fee increases. The analysis section will discuss in greater detail the approaches the County has taken to meet these demands in the short-term and present strategies to continue fiscal viability for the EMS program in the long term.

The County operates a high-performance EMS system which features the most cost-effective staffing model aligned with the strategic deployment of ambulances, allowing for the most

effective and efficient use of available resources in meeting the needs of the community while maintaining high quality services. EMS utilizes advanced medical protocols, provides progressive training to EMTs and paramedics, and consistently deploys state of the art equipment in the delivery of services.

Since the inception of the EMS program, the County has continued to see extraordinary growth in calls for EMS services. As reflected in Chart 1, from 2004 through 2022 the number of requests for services handled by EMS has increased by 94% from 26,481 requests in 2004 to 51,500 in 2022. This level of increased requests for EMS service is consistent with other like-sized communities.

**Chart 1 – EMS Calls for Services (2004 -2022)**



While relying on the hybrid performance model, over the years the County has implemented several strategies to address the growth in call volumes and the long-term financial health of the EMS fund. These strategies are discussed in the following sections.

#### Staffing Enhancements & Incentives

Over the years, the County has taken a variety of proactive steps to mitigate the impact of increased call volumes and challenges in retaining EMS personnel to meet these increased demands, including the addition of new ambulance crews and equipment in fiscal years 2006, 2009, 2015, 2018, 2021, and 2023.

Other strategies to enhance staff retention have included implementing a professional development plan, increasing hourly pay rates, implementing alternative scheduling options, enhancing shift pay differentials, implementing extra shift incentive/special day stipends, and continuing to focus on fostering an environment that facilitates long-term EMS careers. Most recently, during FY 2022 to address the unprecedented challenges created by the COVID pandemic to recruit qualified EMT and paramedic applicants, the County implemented a EMT to Paramedic Trainee Program. Under this County-funded program, five full-time EMT positions were created within the EMS Division to enroll in and complete a paramedic training and certification program while employed by the County as EMTs on a full-time basis. To further enhance recruitment, beginning in Fall 2023, the County is also partnering with Tallahassee Community College to offer a one-year EMT

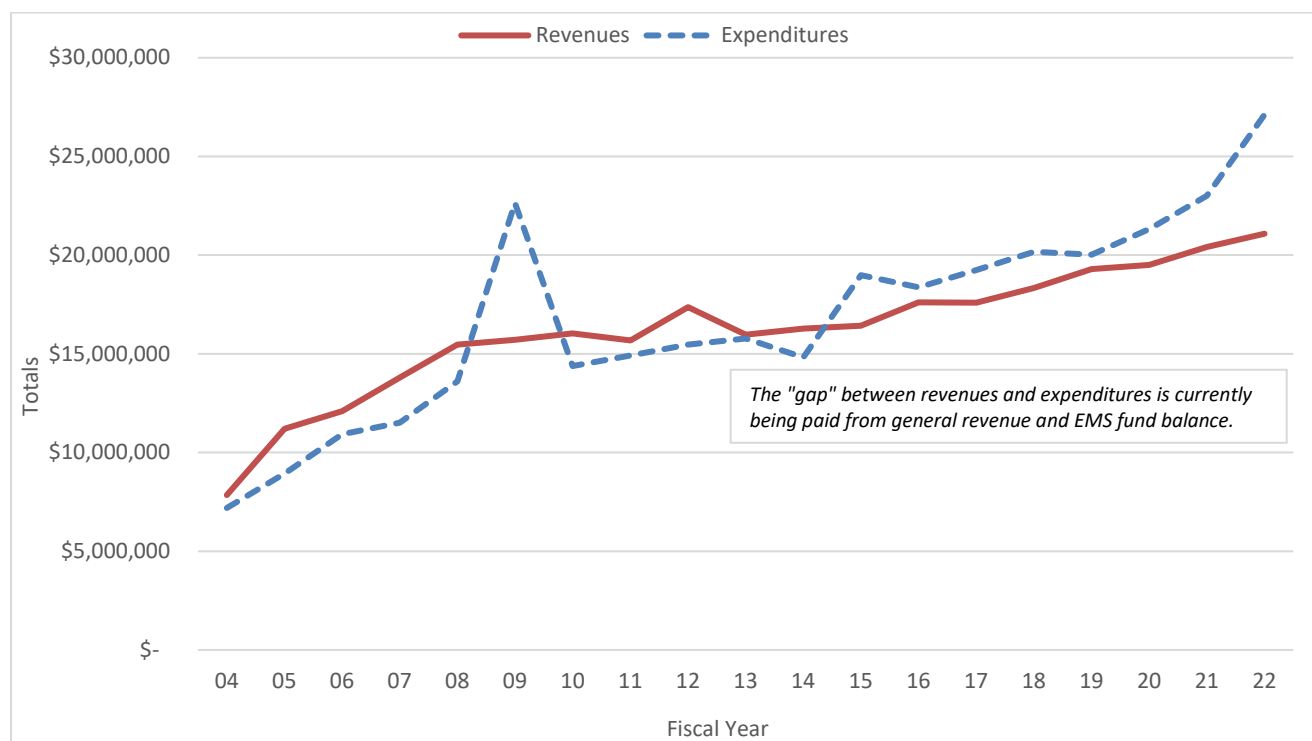
Certification Program to seniors on Godby High School's campus. Students will be able to complete the certification program during their senior year and upon graduation begin working as a certified EMT.

The previous long-term efforts to address the fiscal cost of these additional staffing enhancements and incentives, as well as previous growth in staffing, is discussed in the next section of this item.

#### Planned Drawdown of EMS Fund Balance/Multi-Year Fiscal Plan

At the FY 2015 budget workshop, an update was provided to the Board discussing the long-term plan for EMS funding. At that time, the program was funded by 52% fees, 39% MSTU, 8% EMS fund balance, and the remaining 2% derived from other miscellaneous sources. Chart 2 shows how expenditures began increasing above the primary revenue sources for EMS (fees for services and MSTU) beginning in FY 2015. The "gap" between revenues and expenditures is currently being paid from general revenue and EMS fund balance.

**Chart 2: EMS Revenue & Expenditure Variance (FY 2004-2022)**



*\*The spike in expenditures in FY 2009 is related to an appropriation of \$4.0 million of EMS fund balance for construction of the EMS Facility located at the Public Safety Complex, and additional funding for a new ambulance crew and equipment.*

Over the past 19 years, the County has mitigated any EMS millage rate increases and instead pursued funding strategies that allowed the County to sustain EMS operations with minimal financial impact to citizens. In doing so, the County has passed on \$20 million in savings to Leon County taxpayers. Specifically, since FY 2015 the County has implemented the following fiscal strategies to drawdown available dedicated EMS fund balances, leveraged additional Federal

dollars, and increased general revenue contributions to support the growing demands and costs for services.

- In FY 2015, the County approved a long-term financial plan to drawdown available dedicated EMS fund balances. These fund balances have been used to balance the annual EMS operating budget and provide necessary funding for additional ambulance crews and equipment.
- In FY 2019, the Board approved a plan to use a portion of debt service savings to pay for EMS services. This plan contemplated a temporary transfer up to \$2.0 million of general revenue to the EMS fund beginning in FY 2021. These transfers have totaled approximately \$4.3 million over the past three fiscal years.
- Beginning in FY 2020, the County began leveraging EMS revenues through a new State and Federal Medicaid Managed Care Supplemental Payment Program which provided increased payments to the County for Medicaid patients transported by County EMS. Since FY 2020, the County has leveraged \$2.0 million in EMS funding and received \$5.8 million in additional reimbursements from the State.
- At the FY 2023 Budget Workshop, the Board approved the transfer of \$2.0 million in remaining CARES funds to offset the significant expenditures incurred for providing EMS services during the height of the COVID pandemic. These additional funds allowed the MSTU increase to be delayed for an additional year.

While the consideration to increase fees/property taxes was deferred during FY 2023, the Board was advised a future budget discussion item would be presented to address a long-term EMS fiscal plan during the FY 2024 budget process. The following section presents options for the Board to consider in providing long term financial stability for the EMS fund.

#### *Proposed Future Financial Strategies*

As discussed throughout this item, the County has taken deliberate steps over the past several fiscal years to delay a taxpayer increase in the EMS millage rate and/or EMS fees for as long as possible. Consistent with the long-term fiscal plan for EMS approved by the Board in FY 2015 and FY 2019, this item recommends an increase in the EMS millage rate to fund EMS services. The previous plan provided for the drawdown of planned EMS fund balance until such time that the fund balances approached a level consistent with County policy and increased general revenue support until FY 2021, at which time it would be necessary to consider increasing the EMS MSTU. As noted previously, this millage increase was avoided in FY 2021 due to an increase in Medicare funding from the State.

To support the on-going needs of EMS, eliminate the general revenue subsidy and support the annual increase to the City for ALS, this item recommends increasing the EMS MSTU by 0.25 mills for a total millage rate of 0.75 mills. This increase will generate an additional \$5.46 million in annual revenue for the EMS fund and will eliminate all recurring general revenue required to balance the fund. Moreover, this increase provides sufficient revenue to support EMS operations while providing for the future staffing and equipment requirements for the program, which includes increased staffing and vehicles over the next five years.

This option would have an impact on property tax bills. The impact would be \$36 annually for a median assessed homesteaded property. The increase in the millage rate would fund the needed budget to maintain EMS service levels, and not require the further use/depletion of fund balance. Table 2 reflects the fiscal impacts of assessed properties with a \$50,000 homestead exemption.

**Table 2: Fiscal Impact of Proposed 0.75 EMS MSTU Millage Rate**

<b>Taxable Value</b>	<b>Current: 0.50 mills</b>	<b>Increase: 0.25 mills</b>	<b>Total 0.75 mills</b>
\$144,250*	\$72	\$36	\$108
\$200,000	\$100	\$50	\$150
\$300,000	\$150	\$75	\$225

*\*Average Assessed taxable value*

EMS operations are structured differently around the State with models for services ranging from private companies, hospital-run, fire departments, and contracts between County EMS and fire departments. The County's proposed 0.75 millage rate is less than other jurisdictions in the State with similar structured EMS/Fire-ALS programs. Pinellas, Lake and Osceola Counties are similarly structured and have EMS MSTU's ranging from 0.8775 to 1.0682 mills.

Under the current EMS MSTU Ordinance (Attachment #1), the millage rate is capped at 0.5 mills. If increased, a public hearing to adopt the ordinance would be required to raise the millage cap. Under Florida Statutes, countywide MSTUs also require the approval of the City. In July 2013, the County and City negotiated a comprehensive amendment to the Interlocal Agreement for Fire and ALS, which requires the City to concur to an increase of up to 0.25 mills for the EMS MSTU at a point in the future, if the County determines it is necessary. Pursuant to the interlocal agreement, the County must provide a 60-day notice to the City to conduct the required public hearing to update the City EMS MSTU Ordinance which upon Board approval will be provided by the County Administrator to the City.

This item recommends the County schedule the public hearing to consider adopting an ordinance to increase the EMS MSTU for July 11, 2023. Conducting the public hearing in July will establish the maximum rate to be considered at the budget hearings in September and allows the County time to comply with the statutory Truth in Millage Requirements (TRIM).

**Options:**

1. Establish the maximum Emergency Medical Services (EMS) Municipal Services Taxing Unit (MSTU) for FY 2024 at 0.75 mills.
2. Schedule the first and only public hearing to consider adoption of an Ordinance amending Chapter 11, Article XIII of the Leon County Code of Laws regarding the Emergency Medical Service Taxing Unit, for July 11, 2023 at 6:00 p.m.
3. Board direction.

**Recommendation:**

Options #1 and #2

Attachment:

1. Emergency Medical Service Taxing Unit Ordinance

PART II - CODE OF ORDINANCES  
Chapter 11 - LICENSES, TAXATION, AND MISCELLANEOUS BUSINESS REGULATIONS  
ARTICLE XIII. EMERGENCY MEDICAL SERVICE TAXING UNIT

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**ARTICLE XIII. EMERGENCY MEDICAL SERVICE TAXING UNIT**

**Sec. 11-467. Authority and purpose.**

- (a) This article is enacted under the authority of Article VIII, section 1, Florida Constitution, and F.S. §§ 125.01 and 125.66. The Board of County Commissioners has all powers of local self-government to perform county and municipal functions and to render services in a manner not inconsistent with general law and such power may be exercised by the enactment of county ordinances and resolutions.
- (b) F.S. § 125.01(1)(q), provides specific legislative authorization for counties to establish a municipal service taxing unit for any part or all of the unincorporated areas within its boundaries, or within the municipal boundaries of an incorporated area upon consent of the governing body of such municipality, within which may be provided essential facilities and services.
- (c) The purpose of this article is to create a municipal service taxing unit to fund emergency medical services and other associated essential facilities and municipal services within the municipal service taxing unit as generally described in section 11-470. This article shall be liberally construed to effect the purposes hereof.
- (d) For the purposes of this article the term "emergency medical services" shall mean the emergency medical services, facilities or equipment described herein eligible to be funded by the emergency medical services municipal service unit for persons in the county.

(Code 1992, § 11-752; Ord. No. 03-15, § 2, 6-10-2003)

**Sec. 11-468. Creation of emergency medical services municipal service taxing unit.**

- (a) Pursuant to the provisions of F.S. § 125.01(1)(q), there is hereby created a municipal service taxing unit for that portion of the unincorporated areas of the county and the incorporated area of the City of Tallahassee. Such municipal service taxing unit shall be known as the emergency medical services municipal service taxing unit.
- (b) From time to time the board may by resolution take any action not inconsistent with this article to administer, deliver or provide emergency medical services or otherwise implement and advance the efficient and effective delivery of emergency medical services to persons in Leon County.

(Code 1992, § 11-753; Ord. No. 03-15, § 3, 6-10-2003)

**Sec. 11-469. Authorization of ad valorem taxes.**

The board is hereby authorized, in the manner and under the authority provided by F.S. §§ 125.01(1)(q) and 125.01(r), to levy and collect additional ad valorem taxes at a millage rate not to exceed one-half mill upon real and personal property within the emergency medical services municipal service taxing unit commencing with county fiscal year 2003—2004. The foregoing millage limitation shall not be increased without the Tallahassee City Commission first adopting an ordinance consenting thereto.

(Code 1992, § 11-754; Ord. No. 03-15, § 4, 6-10-2003)

**Sec. 11-470. Use of revenue; implementation.**

- (a) Revenues derived from ad valorem taxes levied within the emergency medical services municipal service taxing unit pursuant to section 11-469 and from any fees and charges imposed for the use or availability of emergency medical services or facilities shall be used solely for the following purposes:
  - (1) To provide emergency medical services and facilities to persons in the county;
  - (2) To acquire, construct, or improve property, facilities, equipment, and improvements necessary to provide emergency medical services and programs;
  - (3) To operate, maintain, and replace acquired property, facilities, equipment, and improvements necessary to provide emergency medical services and programs;
  - (4) To compensate or reimburse the county, and those acting on its behalf, for all costs reasonably related to and incurred in establishing, implementing and administering the emergency medical services municipal service taxing unit, and offering, providing and delivering emergency medical services and other associated essential facilities and municipal services to persons in the county; and
  - (5) Otherwise to provide for or pay for any other cost or expense reasonably associated with providing for and delivering emergency medical services and facilities to persons in the county.
- (b) The board shall prepare and adopt a budget for the emergency medical services municipal service taxing unit for the fiscal year beginning October 1, 2003, and each year thereafter, at the same time and in the same manner as the county budget. Such budget shall contain all or such portions of the planned costs of providing the services and facilities authorized herein as the board deems reasonable and necessary to initiate and thereafter provide for emergency medical services and facilities.
- (c) The board may set up reserve funds in the taxing unit budget in excess of the estimated expenditures for the ensuing fiscal year for the purpose of creating reasonable reserves.

(Code 1992, § 11-755; Ord. No. 03-15, § 1, 6-10-2003)

**Secs. 11-471—11-493. Reserved.**

**Leon County  
Board of County Commissioners**

**Notes for Workshop  
Agenda Item #4**

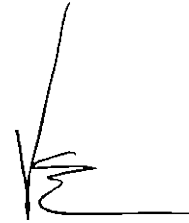
# Leon County Board of County Commissioners

## Budget Workshop Item #4

April 25, 2023

**To:** Honorable Chairman and Members of the Board

**From:** Vincent S. Long, County Administrator



**Title:** Proposed Revisions to Policy No. 17-2, "Street Lighting Eligibility Criteria and Implementation" to Provide Street Lights at School Bus Stop Locations

<b>Review and Approval:</b>	Vincent S. Long, County Administrator
<b>Department/ Division Review:</b>	Alan Rosenzweig, Deputy County Administrator Ken Morris, Assistant County Administrator Scott Ross, Director of Financial Stewardship Brent Pell, Director, Public Works Barry Wilcox, Director, Development Services & Environmental Management
<b>Lead Staff/ Project Team:</b>	Charles Wu, Director, Engineering Services Tim Barden, Administrative Services Manager Scott Brockmeier, Chief Development Resource Officer

### **Statement of Issue:**

As requested by the Board, this budget discussion item provides proposed revisions to Policy No. 17-2, "Street Lighting Eligibility Criteria and Implementation" to implement a school bus stop street lighting program in unincorporated Leon County. This item also recommends the Board consider amending the Land Development Code to require new residential subdivisions to provide street lights for school bus stops.

### **Fiscal Impact:**

This item has a recurring fiscal impact for the installation, maintenance, and monthly electric utility costs associated with new street lights. The annual funding for the street lighting program is adequate to support the proposed School Bus Stop Lighting Program. The ongoing maintenance and monthly electric utility costs are nominal and will be included in Public Works utility budget.

### **Staff Recommendation:**

- Option #1: Adopt the proposed revised Policy No. 17-2, "Street Lighting Eligibility Criteria and Implementation" to Provide Street Lights at School Bus Stop Locations (Attachment #1).
- Option #2: Direct staff to draft amendments to the Land Development Code to require new residential subdivisions to provide street lights for school bus stops.

## **Report and Discussion**

### **Background:**

As requested by the Board at the January 24, 2023 meeting, this budget discussion item provides proposed revisions to Policy No. 17-2, “Street Lighting Eligibility Criteria and Implementation” (Street Lighting Policy) to implement a school bus stop street lighting program in unincorporated Leon County. This item also recommends the Board consider amending the Land Development Code to require new residential subdivisions to provide street lights for school bus stops.

On September 13, 2022, the Board requested an agenda item be prepared to consider amending the County’s Street Lighting Policy to include the installation of street lights at school bus stop locations in the unincorporated area. On January 24, 2023, a comprehensive agenda item was presented to the Board providing an overview of the County’s Street Lighting Policy and Program along with policy alternatives, should the Board wish to install street lights at bus stop locations in unincorporated Leon County (Attachment #2). At that time, the Board directed staff to bring back a budget discussion item to consider a street light program for school bus locations in unincorporated Leon County.

The proposed revisions to the Street Lighting Policy creates a new program designed to be responsive to resident requests for lighting school bus stop locations. Adequate funding is available in the County’s existing street lighting program to support the new School Bus Stop Street Lighting Program. The ongoing maintenance and monthly electric utility costs are nominal and will be included in Public Works utility budget.

### **Analysis:**

Based on the Board’s direction to revise the existing Street Lighting Policy to evaluate requests for street lights at school bus stop locations, the proposed revisions to the Street Lighting Policy creates a program for residents seeking street lights at school bus stops in unincorporated Leon County. The proposed revisions include eligibility criteria which will be evaluated by Public Works and then submitted to the appropriate electric utility service provider for the installation of a street light and, if needed, a light pole. The installation costs associated with street lights will continue to be funded by the Livable Infrastructure For Everyone (L.I.F.E.) sales tax revenues while the ongoing electric costs will continue to be included in the operating budget for Public Works.

Consistent with the Board’s direction to ensure the provision of street lights at school bus stops in the unincorporated area, this item also seeks Board direction for staff to draft amendments to the Land Development Code to require new residential subdivisions to provide street lights for school bus stops. This will ensure adequate lighting at bus stops in new residential developments with the costs to be borne by the new residents through the developer.

#### Proposed Revisions to the Street Lighting Policy/Program

The proposed revisions to the Street Lighting Policy would expand the County’s street lighting service beyond the Urban Services Area (USA) to eligible school bus stop locations. The Policy revisions include eligibility criteria which requires the placement of street lights to be within existing County and State right-of-way to avoid costly acquisition and easement issues, emphasizes the importance of student and public safety on County and State roadways, and requires ongoing coordination with Leon County Schools (LCS) to ensure the best and most responsible use of County resources to best serve the community. To ensure the County’s investment in student safety enhancement will have a long-lasting effect, the eligibility criteria requires Public Works to verify with LCS that a bus stop is anticipated to be in existence for more than five years based on current information.

Available right-of-way is a key factor in bus stop lighting installations, and is considered in the proposed policy revisions. This avoids the lengthy and costly acquisition and easement issues that can be associated with putting public infrastructure on private property. Approximately 90% of the school bus stops are at intersections with at least one public road, so street lights can be installed within the existing County or FDOT right-of-way at these locations. This allows for a bus stop at the end of a private road to be eligible for street lighting under the new program at the intersection with the public roadway. Some examples in our community include the bus stops located along State Road 20 in western Leon County and Fairbanks Ferry Road in the northern part of the County to serve students living on private roadways. For street lighting requests at these locations, the County would utilize the available public right-of-way for street light installation.

The new Bus Stop Lighting Program is designed to be responsive to resident requests and provide for the installation of street lights in a timely manner. According to the local utility providers, a new street lighting installation has an average turnaround time of approximately 2-3 months. Each request requires design work and permitting. The design work is to ensure the new installation, with its proximity to the road and illumination radius, does not create a public safety issue for vehicles utilizing the roadway and has sufficient lighting coverage. Additionally, right-of-way permitting is required if the installations will be on the County or the State’s right-of-way.

The eligibility criteria ensures that most bus stop locations in unincorporated Leon County will be eligible for street lighting. Upon receipt of the request for a street light at a school bus stop, Public Works staff will conduct an evaluation for the following eligibility criteria:

- The requested street light would be installed along a linear road segment or at an intersection in County or FDOT right of way; and
- The existing road right of way is sufficient for the street light installation while maintaining roadside safety according to the current engineering standards; and
- The Leon County Schools determines that the bus stop will continue for more than five years based on current information; and
- School bus stop locations located inside a subdivision or at the end of a private driveway that only serve one household will not be eligible for street lights through the County.

Given the existing neighborhood lighting programs provided by both Talquin Electric and the City of Tallahassee Electric Utilities (as Leon County is not an electric utility provider), the Policy continues to prohibit the use of County resources to light residential subdivisions. Bus stops at the end of a private driveway which only serve one household would also be ineligible. These individual bus stops are generally located in very rural communities and allow the student(s) to remain on their private property or driveway while waiting for the school bus, providing a measure of safety for the student(s). Installing a County street light for a bus stop at the end of residential driveway would only benefit the individual property owner. Should that property owner want a street light, they may contact their electric utility provider directly to consider installation options.

The preliminary FY 2024 budget maintains the annual \$125,000 funding level for installing street lights and realigns \$25,000 of these funds to the School Bus Stop Lighting Program each year. The recommended funding level ensures that the County can be responsive and timely to requests for street lights at school bus stops. The total street light installations at school bus stop locations will be dependent upon the number of requests and the site-specific conditions associated with each location. For example, some locations may only require the installation of a light on an existing pole while other locations may require the installation of both. Some intersections may require multiple street lights. While the demand for any new service has some uncertainty, staff finds that adequate L.I.F.E. funds are available in the street lighting program to launch this new service in the current fiscal year. Ongoing operating costs such as maintenance and utilities will continue to be included in Public Works annual operating budget. Each additional light has a nominal annual impact of \$120.

If approved, Public Works will begin accepting and evaluating street lighting requests for school bus stop locations on July 10, 2023. In coordination with Community and Media Relations, a simple request form will be created, and will be available on the Public Works web page that will include a dedicated email address for residents to submit the completed form.

Given the proposed revisions to the Policy to provide street lights at bus stops in the unincorporated area with taxpayers incurring the installation and ongoing operating expenses, this item also recommends the Board provide direction to staff to draft amendments to the Land Development Code to require new residential subdivisions to provide street lights for school bus stops. This will ensure adequate lighting at bus stops in new residential developments with the costs to be borne by the new residents through the developer.

#### Revision to the Land Development Code

In effort to ensure that future development of subdivisions has lighting for school bus stops, the Board can require developers to install street lights in new residential subdivisions where LCS anticipates future school bus stops. Currently, in the unincorporated area, street lighting with new residential development is only installed at the option of the developer. A developer choosing to install street lights is responsible for the associated costs of the poles, fixtures, and installation. Street lights are required for new subdivisions within the City limits. Based on the site plan of the new development, the City generally requires street lights at intersections and 150 ft. intervals along roadway segments. The City does not have any specific requirement for lighting school bus stop locations.

The County’s General Layout and Design Standards of the Land Development Code (LDC) would be the most appropriate section for such amendments since it applies to the inclusion of public facilities and improvements for new residential land development proposals. By amending the LDC, developers would bear the initial costs of the street light equipment, including installation. After installation, ongoing maintenance and operation costs would be transferred to the homeowners’ association for the new development. As part of the development review process, the potential need for a future school bus stop and the location of a street light would be closely coordinated with the LCS, the Department of Development Support and Environmental Management, Leon County Public Works, the utility provider, and the developer.

To mitigate adverse impacts such as light pollution, particularly outside the Urban Services Area (USA), LDC amendments could include standards similar to those adopted within the Bradfordville Sector Plan or which are consistent with “dark-sky” principles, as noted in the Rural zoning district. Limitations on the location, type, and intensity of lighting will serve to maintain the rural character of areas outside the USA while reducing adverse effects such as light pollution, glare, light trespass and skyglow.

LDC amendments would be presented to both utility providers in Leon County, the Advisory Committee on Quality Growth (ACQG), and the Building Industry Association of the Big Bend for input. If approved by the Board (Option #2), a future agenda item and draft amendments would be brought back to the Board for consideration and the scheduling of a Public Hearing to adopt the amendments to the LDC. All amendments to the LDC require consideration by the ACQG, consistency review by the Planning Commission, and one Public Hearing by the Board.

**Options:**

1. Adopt the proposed revised Policy No. 17-2, “Street Lighting Eligibility Criteria and Implementation” to Provide Street Lights at School Bus Stop Locations (Attachment #1).
2. Direct staff to draft amendments to the Land Development Code to require new residential subdivisions to provide street lights for school bus stops.
3. Board direction.

**Recommendation:**

Options #1 and #2

**Attachments:**

1. Proposed Revised Policy No. 17-2, “Street Lighting Eligibility Criteria and Implementation”
2. January 24, 2023 Street Lighting Agenda Item

## Board of County Commissioners Leon County, Florida

### Policy No. 17-2

Title: Street Lighting Eligibility Criteria and Implementation

Date Adopted: ~~May~~ 9, 2023

Effective Date: May 9, 2023

Reference: N/A

Policy Superseded: Policy No. 17-2 adopted on February 7, 2017

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It shall be the policy of the Board of County Commissioners of Leon County, Florida, that Policy 17-2, "Street Lighting Eligibility Criteria and Implementation" adopted on February 7, 2017, is hereby amended, and a ~~new~~ revised policy is hereby adopted in its place, to wit:

Two street lighting programs approved by the Board for nighttime safety enhancement. The first program is to install street lights for traffic safety enhancements at intersections and road segments, and the second program is to install street lights at school bus stops.

#### 1. Street Lighting for Traffic Safety Enhancement at Intersections and Road Segments

- a. Street Lighting Project List: Staff shall evaluate new street light installations proposed within the unincorporated area of Leon County in accordance with the provisions of this Policy. The County Administrator shall approve a Street Lighting Project List, on not less than an annual basis. Intersections and road segments located outside the Urban Services Area or inside subdivisions are not eligible for inclusion on the Street Lighting Project List. The order by which installation occurs for specific projects under the Street Lighting for Traffic Enhancements at Intersections and Road Segments Program shall be determined based upon criteria and prioritization as set forth herein, subject to the availability of funding.
- b. Criteria: Public Works staff will conduct an evaluation for the following eligibility criteria:
  - If street lights are proposed for an intersection, at least ~~le~~ one of the intersecting roads is maintained by the County; and
  - If streets lights are proposed for a linear road segment, such road must be maintained by the County; and
  - The proposed street light would be installed in County or Florida Department of Transportation (FDOT) right of way; and

- The existing road right of way is sufficient for the street light installation while maintaining roadside safety according to the current engineering standards.
- c. Evaluation Prioritization: Street lighting projects meeting the above eligibility criteria for Street Lighting for Traffic Safety Enhancement at Intersections and Road Segments will be prioritized utilizing the criteria set forth in Table 1 below and utilized by staff to develop a Street Lighting Project List. Staff shall have broad discretion in the development of an annual Street Lighting Project List for the County Administrator's consideration. Subject to the discretion afforded staff, nighttime crash rates shall be considered as a weighted factor for the street light installation priority ranking. When nighttime crash rates between projects are equal, the presence of a pedestrian cross walk and sidewalk/pedestrian walking trail shall be the next prioritized criteria followed by other criteria in Table 1 in the descending order.

**Table 1: Intersection and Road Segment Street Lighting Evaluation Criteria**

1	Nighttime Crash Rates
2	Presence of Pedestrian Crosswalk and Sidewalk
3	Vehicular Traffic Volume
4	Posted Speed Limits
5	Number of Vehicular Travel lanes
6	Sight Distance
7	Road Geometry
8	Geographic Diversity
9	Pedestrian Volume
10	Future Land Use Classifications and Zoning Districts

## 2. Street Lighting at School Bus Stops:

- School Bus Stop Lighting Project List: Staff shall evaluate new street light installations at school bus stops proposed within the unincorporated area of Leon County, in accordance with the provisions of this Policy. ~~Proposed new street lights at school bus stop locations that are to be located inside a subdivisions or at the end of a private driveway that only serve one household are not eligible for inclusion on the School Bus Stops Lighting List because the electrical service providers have programs available for an individual homeowner or for an entire neighborhood through a homeowners' association to request street light installations.~~ Subject to the foregoing, a resident of the unincorporated area of Leon County may request a street light at a bus stop by submitting a request form to Public Works.

- a.
  - b. Criteria: Upon receipt of the request for a street light at a school bus stop, Public Works staff will conduct an evaluation for the following eligibility criteria:
    - The requested street light would be installed along a linear road segment or at an intersection in County or Florida Department of Transportation (FDOT) right of way, ~~or located in the County or FDOT right of way at the end of a private driveway(s) servicing two or more households;~~ and
    - The existing road right of way is sufficient for the street light installation while maintaining roadside safety according to the current engineering standards; and
    - The Leon County Schools determines that the bus stop will continue for more than five years based on current information; and
    - —School bus stop locations located inside a subdivision or at the end of a private driveway that only serve one household are not eligible for inclusion on the School Bus Stops Lighting List.
  - c. Evaluation Prioritization: Eligible requests will be placed on the School Bus Stops Lighting List in the order received and submitted to the electric utility service provider for installation ~~on a first come, first served basis~~ subject to the availability of funding.
3. Installation of Street Lighting Projects: Public Works staff will request FDOT participation in street light installation where one of the intersecting roads is a State maintained road. When a joint County/City Capital Improvement Project encompasses a portion of the unincorporated area within the Urban Services Area, street lights in the unincorporated area may be installed and funded as part of the County's street lighting programs. Only projects on the Street Lighting Project List or School Bus Stops Lighting List will be approved for installation and shall be subject to annual appropriation by the Board. ~~The~~A street lighting project ~~status report lists~~ will be ~~provided~~resented to the Board annually.
4. Funding: Initial capital improvement funding for street light installation has been established at \$125,000 a year, and the Board may earmark funding for each of the two street lighting programs. The annual operating costs are anticipated to increase each year as additional projects are completed. The operating cost will be adjusted on an annual basis based on the then effective utility rates. All installation and operational costs are subject to annual appropriation by the Board.

# Leon County Board of County Commissioners

## Agenda Item #19

January 24, 2023

**To:** Honorable Chairman and Members of the Board

**From:** Vincent S. Long, County Administrator



**Title:** Consideration of Street Lights and Funding Options for School Bus Stop Locations

<b>Review and Approval:</b>	Vincent S. Long, County Administrator
<b>Department/ Division Review:</b>	Alan Rosenzweig, Deputy County Administrator Ken Morris, Assistant County Administrator Brent Pell, Director, Public Works
<b>Lead Staff/ Project Team:</b>	Charles Wu, Director, Engineering Services Tim Barden, Administrative Services Manager Scott Brockmeier, Chief Development Resources Officer

### **Statement of Issue:**

As requested by the Board, this item provides an overview of the County's Street Lighting Program and policy alternatives for consideration should the Board wish to install street lights at bus stop locations in unincorporated Leon County.

### **Fiscal Impact:**

This item has no fiscal impact. The County allocates \$125,000 annually for the installation of new street lights at roadways and intersections inside the Urban Services Area. Several policy alternatives are provided in this item for consideration. Based on the Board's direction, additional program and fiscal impact information will be brought back during the budget process.

### **Staff Recommendation:**

Option #5: Board direction.

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## Report and Discussion

### **Background:**

On September 13, 2022, staff was directed to bring an agenda item back to the Board to consider amending Policy No. 17-2, “Street Lighting Eligibility Criteria and Implementation Policy,” to include the installation of street lights at school bus stop locations in the unincorporated area. This item provides an overview of the County’s Street Lighting Policy/Program and provides options/alternatives for consideration should the Board wish to install street lights at bus stop locations in unincorporated Leon County. These alternatives include varying levels of service and program structures should the Board wish to light every bus stop in short order, take a phased approach with annual funding allocations, provide street lights upon request/petition by residents, make minor revisions to the existing policy, or take no further action.

On February 7, 2017, the Board adopted Policy No. 17-2, “Street Lighting Eligibility Criteria and Implementation Policy” which established the criteria to be used to evaluate and prioritize street light installations within the Urban Services Area (USA) of unincorporated Leon County. The County’s Street Lighting Program was designed to enhance traffic safety on the roads and intersections where it is needed most and, absent Board approval of an exception, prohibits street lighting projects within subdivisions or outside the USA as explained later in this item. The emphasis on projects within the USA aligned with the greatest traffic safety needs based on nighttime crash data, vehicular traffic, roadway speed limits and other criteria described in the Policy. The existing Policy does not include consideration for school bus stop locations as part of the traffic safety criteria for identifying or prioritizing street light installations.

Pursuant to the Policy, a status report on the prioritization of street light projects is provided to the Board annually with a listing of projects based on available funding. The County also works with the Florida Department of Transportation (FDOT) for joint funding of County/State roadway intersections within the USA. For State roads outside the USA, the County may request FDOT to perform a traffic study to assess safety enhancements such as a traffic signal, lighting, signage, speed limit adjustments, repainting, etc. Each year, Public Works coordinates with FDOT and electric service providers to design and install street lights at the approved intersections and roadways to advance the following FY2022-FY2026 Strategic Initiative:

- *Continue to work with the Florida Department of Transportation for safety improvements on State and County roadways to include accessibility enhancements, street lighting installations, sidewalk additions, safety audits, and intersection improvements. (2022-26)*

Public Works does not receive many requests for street lights at school bus stop locations. Historically, the County had not provided urban services such as street lighting prior to the adoption of the Street Lighting Policy nor are street lights required for new residential subdivisions in the unincorporated area including the USA. In 2016, the County experienced an increase in citizen requests for street lights for visibility enhancements for both drivers and pedestrians in the unincorporated areas of the County. The requests generally were either for neighborhood lighting or for intersections and other roadway segments. In response, an analysis was presented to the Board detailing the neighborhood lighting options provided by both Talquin Electric and the City of Tallahassee Electric Utilities (as Leon County is not an electric utility provider). These

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respective programs allow street lights to be installed for an individual homeowner or for an entire neighborhood through a homeowner association, as long as the individual homeowner or association enter into an agreement with the utility provider for payment of the lights and ongoing maintenance. At that time, the Board also directed staff to develop a formal policy with specific criteria for the placement of street lights on County roads and intersections and established an initial \$125,000 capital improvement project as part of the FY 2017 budget. The County continues to budget \$125,000 annually for the installation of new street lights which is now provided through the Livable Infrastructure For Everyone (L.I.F.E.) sales tax program.

In determining street lighting projects to be provided annually, the Policy prioritizes intersections with incidents of nighttime crashes above all other criteria including traffic volume, posted speed limits, and the presence of pedestrian crosswalks/sidewalks. Since 2017, street lights have been installed at 22 signalized intersections in the unincorporated area under the County's Street Lighting Program and another 11 signalized intersections received street light enhancements by FDOT. At this time, only four signalized intersections in the unincorporated USA are awaiting street lights which are to be installed by FDOT along state roadways. Following in the completion of County street light projects at the signalized intersections, the County shifted its focus in 2022 per the Policy to unsignalized intersections. To date, four of street lights have been installed at unsignalized intersections and four more are scheduled for installation.

**Analysis:**

Created in 2017, the County's Street Lighting Program was designed to enhance traffic safety by focusing on intersections and road segments within the unincorporated portion of the USA with an emphasis on nighttime crash rates at intersections above all other criteria. The focus on intersections and roadway segments within the USA is consistent with the greatest traffic safety needs and does not take into consideration the location of school bus stops. Subdivisions were excluded because local utility providers have available and highly utilized programs to support neighborhood requests for street lights at their own expense. Given the lower nighttime crash rates, traffic volume, and rural character of much of the unincorporated area outside the USA, the lack of street lights was not seen as a detriment, but rather part of a rural lifestyle. In addition, local organizations and advocacy groups representing rural residents have traditionally opposed the expansion of urban services such as sidewalks and streetlights in rural communities.

Based on the Board's direction, staff reviewed the existing Street Lighting Policy and evaluation criteria, surveyed other counties to determine if/how they prioritize lighting at school bus stops, and determine how other jurisdictions pay for the installation and ongoing costs. Staff also analyzed the school start times and bus routes as they relate to students being picked up in the mornings before sunrise. As a result, this analysis provides several policy alternatives for consideration should the Board wish to install street lights at bus stop locations in unincorporated Leon County. The policy alternatives offer varying levels of service and program structures to be further refined based on the Board's guidance. The main elements for the Board to consider include:

- Geographic Eligibility: Provide street lighting services for school bus stop locations only in the USA or include the unincorporated rural areas.

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- Level of Service: Place street lights at every bus stop location and budget accordingly or prioritize based on a request for service basis with conditions/application criteria.
- Funding Mechanism: Pay for this expense with a budget increase for the Street Light Program, a non-ad valorem special assessment paid by beneficiaries, or a County-wide special purpose tax.
  - Revisions to the Existing Street Light Policy – Would increase annual funding level for the Street Light Program to evaluate and prioritize requests for street lights at bus stop locations and provide street lighting based on available funding.
  - MSBU Street Light District by Petition – Would provide a non-ad valorem special assessment for street light requests to be paid only by beneficiaries.
  - County-wide MSTU Street Light District – Would create a County-wide special purpose tax to install street lights at every bus stop and at the expense of every property owner in unincorporated Leon County.

Leon County GIS maintains an interactive map of all public-school bus stop locations in Leon County. According to the data provided by Leon County Schools (LCS), there are 924 unique bus stop locations in unincorporated Leon County. A unique bus stop location is an intersection or street address which provides for at least one LCS bus stop. In many cases, an intersection or street address provides for multiple bus stops to serve children of different school levels (elementary, middle, and high schools). LCS determines the bus stops and routes on an annual basis and has no immediate plans to install street lights at these locations. LCS also determines the school start times which correlate to the availability of school buses and drivers that often serve multiple routes each day. As a result, morning start times differ by school level resulting in some students waiting for the bus in the dark at certain times of the school year.

Most high schools start by 7:30 a.m., elementary schools start by 8:30 a.m., and middle schools begin by 9:30 a.m. The buses begin their routes to pick up elementary school students after students have been dropped off at area high schools. During the school calendar year, sunrise generally occurs before 7:30 a.m. most days. For about one-third of the school year, sunrise generally occurs between 7:30 – 8:00 a.m. during the final month of Daylight Savings Time in the fall, the month of January in the winter, and the first two weeks of Daylight Savings Time in the spring. It is during these intermittent periods when the County may receive inquiries about street lights at bus stops. High school students without their own transportation are most likely to be waiting for a school bus before sunrise. Middle school students are the least likely because of their 9:30 a.m. start time. Elementary school students must wait for the bus in the dark at certain times of the school year but are encouraged by LCS to be in the company of an adult.

Parents seeking street lights at school bus stops is not unique to Leon County. Given the significant number of school bus stop locations in unincorporated Leon County and the potential capital investment that would be required to light each location, a survey was developed to determine how other Florida counties address requests for street lights including at school bus stops. The survey sought input from like-sized and large counties to evaluate the practices of local governments with rural and suburban populations. Responses were received from the following ten counties: Bay,

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Escambia, Hernando, Hillsborough, Manatee, Orange, Palm Beach, St. Johns, Sumter, and St. Lucie Counties.

#### Survey Results: County Street Light Programs

The results of the survey find that none of the counties proactively install street lights at school bus stop locations but there are options available for property owners to secure street lights at their own expense. The survey respondents emphasized that their efforts related to street lights focus on major corridors and intersections for traffic safety purposes and, in most cases, refer requests for street lights at bus stops to the cities and utility providers within their jurisdiction. Most counties described their local utility providers as having similar programs as Talquin and City Utilities whereby residential subdivisions directly arrange for the installation of street lights at desired locations.

St. Lucie, St. Johns, Hernando, Orange, Manatee, and Palm Beach Counties each go a step further by offering programs to accommodate neighborhoods that desire street lights but do not have an active homeowner association to collect and remit payment to their utility provider. In these instances, whereby residents want street lights and are willing to pay for them, the counties utilize a non-ad valorem special assessment to accommodate these requests by petition. In turn, property owners that benefit from the street light(s) are assessed the installation and ongoing operating costs each year for the desired street lights similar to the County's 2/3 Private Road and Maintenance Program.

And finally, several respondents noted that the sheer number of bus stop locations within their respective counties would make it cost prohibitive to proactively install street lights at school bus stop locations. Further, bus stop locations can fluctuate, more so in rural communities where bus stops may serve fewer students or be located at the end of one student's driveway. This is why several counties only provide street lights through Municipal Service Benefit Unit (MSBU), which may impose a non-ad valorem special assessment. An MSBU is an assessment district created to fund a one-time and/or ongoing public service. In Florida, MSBU's are common funding strategies for capital projects such as the installation of utility infrastructure, road paving, street lighting, and sidewalks. A public hearing to consider the proposed assessment and notice by mail is required in order to place the MSBU assessment on property tax bills.

Several policy alternatives are provided in the remainder of this item for Board consideration. These alternatives include varying levels of service and program structures should the Board wish to light every bus stop in short order, take a phased approach with annual funding allocations, provide street lights upon request/petition by residents, make minor revisions to the existing policy, or take no further action.

#### MSBU Street Light Districts by Petition

Should the Board wish to make street lights available at school bus stop locations at the request of a neighborhood or group of residents that are not part of a homeowner association, the Board can provide direction to staff to bring back a draft ordinance for an MSBU program which sets forth the purpose, scope, application requirements, and formula for determining the "unit of benefit" for the installation and ongoing costs of street lights. There may also be additional requirements or

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agreements with the utility providers that would need to be addressed should an ordinance be approved.

This policy alternative would create a responsive program that is accessible to residents through a petition and application process similar to the County's two-thirds road paving program. It is structured to provide the designed level of service based on the application by resident and would complement the existing programs offered by local utility providers. Depending on the level of demand, it may also result in a large number of small street lighting districts as has been the case in other counties. For example, Hernando County reports having 25 residential street lighting districts that utilize MSBUs while Orange County has 1,500 MSBUs for residential street lights that service over 181,000 individual lots.

Based on the Board's guidance, additional analysis on the establishment of an MSBU Street Light District by Petition could be brought back as a budget discussion item.

#### One County-wide MSTU Street Light District

Should the Board find that street lights at school bus stops are an essential public necessity to be provided by the County, the Board may wish to provide direction to bring back a draft ordinance for the creation of a single County-wide MSTU Street Light District for all of unincorporated Leon County. An MSTU is an ad valorem tax that would be levied equally on property in unincorporated Leon County without consideration to the direct benefit of individual property owners. It would work much like the MSTU for EMS but would be limited to the unincorporated area.

This policy alternative assumes strong demand for street lights at bus stop locations and provides the resources to meet the demand quickly and reliably. By foregoing individual street light districts created by petition, the County-wide MSTU would limit the number of applications to be considered by the County, public hearings to be held by the Board, and would require direct mail notices to go out at one time to property owners in unincorporated Leon County. This proactive County-wide approach may result in opposition to the placement of street lights in rural sections of the community.

The tax would be based on the cost of installing street lights at all bus stops locations in unincorporated Leon County and would provide adequate funding to ensure the provision of street lights at all 924 bus stop locations. The recurring utility costs would continue to be paid with the revenue collected through the MSTU each year. Based on the Board's guidance, additional analysis on the estimated County-wide levy and cost to individual property owners could be brought back as a budget discussion item.

#### Revise Existing Street Lighting Policy

Under the Street Lighting Program which focuses on road segments and intersections within the USA, the County completed the installation of street lights at all of its signalized intersections. Consistent with the Policy, the next project priority is the installation of street lights at unsignalized intersections. The Board may wish to provide direction to staff to revise the existing Street Lighting Policy to evaluate and prioritize requests for street lights at school bus locations anywhere in unincorporated Leon County. This would allow school bus stop locations to be considered for street light installation with a measured approach by the County regardless of the USA boundary.

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Like the MSBU Street Light Districts by petition, this policy alternative would be responsive to resident requests, subject to available funding, but would not require the creation of small special taxing districts. At the Board's direction, staff can bring back draft revisions to the Street Lighting Policy to expand the service beyond the USA and to evaluate and prioritize requests for lights at school bus stop locations. Revisions to the existing Policy would continue to exclude subdivisions which have the ability to work directly with utility providers. The budget discussion item would also provide options to increase the annual funding level for the Street Light Program in anticipation of requests for street lights at bus stops.

#### Summary

Leon County's Street Lighting Policy does not take school bus stop locations into consideration with regard to the eligibility criteria and prioritization of street light installations. Since 2017, the County has budgeted \$125,000 annually to install street lights at intersections and road segments within the USA of the unincorporated area. The Policy excludes the installation of street lights within residential subdivisions and in rural sections of the County (outside the USA) absent Board approval to make an exception.

Leon County GIS maintains an interactive map of all public-school bus stop locations in Leon County. According to the data provided by LCS, there are 924 unique bus stop locations in unincorporated Leon County. Most (approximately 530) are within the USA where bus stops are concentrated in large residential subdivisions and street lights are more prevalent. A unique bus stop location is an intersection or street address which provides for at least one LCS bus stop.

Public Works does not receive many requests for street lights at school bus stop locations. However, certain times of the school year draw greater attention when students wait for school buses in the morning while it is still dark outside. This most often occurs when the clocks change back to Standard Time in the fall, the short month of winter daylight in January, and the first two weeks of Daylight Savings Time in the spring. School start times and bus routes also play a role in students waiting for the bus in the dark at certain times of the school year. High school students without their own transportation are most likely to be waiting for a school bus before sunrise.

According to a survey of 10 like-size and large county governments, none of the counties proactively install street lights at school bus stop locations but there are options available for property owners to secure street lights at their own expense. Several respondents noted that the sheer number of bus stop locations within their respective counties make it cost prohibitive to proactively install street lights at school bus stop locations. Requests for street lights at bus stops are referred to the cities and utility providers within their jurisdiction and most counties described their local utility providers as having similar programs as Talquin and City of Tallahassee Electric Utilities whereby residential subdivisions directly arrange for the installation of street lights at desired locations. For residents that are not part of a homeowner association to coordinate payment with their utility provider, most counties provide street lights through a non-ad valorem special assessment by resident petition. In turn, property owners that benefit from the street light(s) are assessed the installation and ongoing operating costs each year for the desired street lights similar to the County's 2/3 Private Road and Maintenance Program.

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The policy alternatives and funding options presented in this item include varying levels of service and program structures for Board consideration. They include maintaining the status quo, a measured approach of making small revisions to the existing Policy to allow for street lights at school buses and an increase in annual funding for the Street Light Program, an ability to provide street lights at the request and expense of beneficiaries when residents are unable to secure lights directly from their utility provider, and an ability to proactively install a street light at every bus stop location through a special purpose tax on all properties in unincorporated Leon County:

- Revisions to the Existing Street Light Policy – Would increase annual funding level for the Street Light Program to evaluate requests for street lights at bus stop locations and provide street lighting based on available funding.
- MSBU Street Light District by Petition – Would provide a non-ad valorem special assessment for street light requests to be paid only by beneficiaries.
- County-wide MSTU Street Light District – Would create a County-wide special purpose tax to install street lights at every bus stop and at the expense of every property owner in unincorporated Leon County.

Should the Board choose to take a measured approach in the expansion of services related to street lights, the Board may wish to direct staff to bring back a budget discussion item to consider additional funding and revisions to the Street Lighting Policy to evaluate and prioritize requests for lights at school bus stop locations anywhere in unincorporated Leon County regardless of the USA boundary. Revisions to the existing Policy would continue to exclude subdivisions which have the ability to work directly with utility providers. The budget discussion item would also provide options to increase the annual funding level for the Street Light Program in anticipation of future requests. Like the MSBU Street Light Districts by Petition, this policy alternative would be responsive to resident requests and structured to complement the existing programs offered by local utility providers but would not require the creation of a special taxing district.

Should the Board wish to make street lights available at school bus stop locations at the request of a neighborhood or group of residents that are not part of a homeowner association, the Board may provide direction to staff to bring back a budget discussion item with a draft ordinance for the creation of an MSBU program which sets forth the purpose, scope, application requirements, and formula for determining the “unit of benefit” for the installation and ongoing costs of street lights. An MSBU Street Light District would impose a non-ad valorem special assessment on property to fund the requested services similar to the County’s two-thirds road paving program. A public hearing and notice by mail would be required to create an MSBU Street Light District and place the MSBU assessment on property tax bills.

Alternatively, should the Board find that street lights at school bus stops are an essential public necessity to be provided by the County, the Board may wish to provide direction to bring back a budget discussion item with a draft ordinance for the creation of a single County-wide MSTU Street Light District for all of unincorporated Leon County. An MSTU is an ad valorem tax that would be levied equally on property in unincorporated Leon County without consideration to the direct benefit of individual property owners. It would work much like the MSTU for EMS but would be limited to the unincorporated area.

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This policy alternative assumes strong demand for street lights at bus stop locations and provides the resources to meet the demand quickly and reliably. This special purpose tax would be based on the cost of installing street lights at all bus stops locations in unincorporated Leon County and would require a public hearing and direct mail notices. The recurring utility costs would continue to be paid with the revenue collected through the MSTU each year.

Based on the Board's guidance, additional analysis on the estimated County-wide MSTU levy and cost to individual property owners would be brought back as a budget discussion item with information on the required next steps.

**Options:**

1. Accept the staff analysis on the County's Street Lighting Program with regard to School bus stop locations and take no further action.
2. Direct staff to bring back a budget discussion item to consider additional funding and revisions to Policy No. 17-2, "Street Lighting Eligibility Criteria and Implementation" to evaluate and prioritize requests for street lights at school bus locations in unincorporated Leon County.
3. Direct staff to bring back a budget discussion item with a draft ordinance for the creation of an MSBU Street Light District Program by Resident Petition as described in this agenda item.
4. Direct staff to bring back a budget discussion item with a draft ordinance for the creation of a County-wide MSTU Street Light District for all of unincorporated Leon County as described in this agenda item.
5. Board direction.

**Recommendation:**

Option #5 - Board direction.

**Attachment:**

1. Policy No. 17-2, "Street Lighting Eligibility Criteria and Implementation"

**Leon County  
Board of County Commissioners**

**Notes for Workshop  
Agenda Item #5**

# Leon County Board of County Commissioners

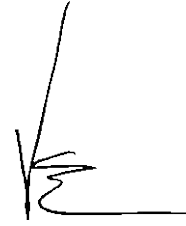
## Budget Workshop Item #5

April 25, 2023

**To:** Honorable Chairman and Members of the Board

**From:** Vincent S. Long, County Administrator

**Title:** Overview of Legislative Changes Concerning Publication of Advertisements and Legal Notices



<b>Review and Approval:</b>	Vincent S. Long, County Administrator
<b>Department/ Division Review:</b>	Alan Rosenzweig, Deputy County Administrator
<b>Lead Staff/ Project Team:</b>	Scott Ross, Director, Office of Financial Stewardship Roshaunda Bradley, Budget Manager Miranda Hernandez, Management & Budget Analyst

### **Statement of Issue:**

This item seeks Board direction regarding whether to eliminate publishing certain advertisements and legal notices in the local newspaper and, instead, post these notices online. During the FY 2022 legislative session, state law was amended, effective January 1, 2023, to allow a governmental agency the option to publish certain types of advertisements and legal notices on a publicly accessible County website or other private website designated by the County instead of in a print newspaper if certain conditions are met.

### **Fiscal Impact:**

If implemented, this item has a fiscal impact. Currently, the County pays on average \$40,000 annually for required legal advertising in the newspaper. Replacing the publication of advertisements and legal notices in newspapers with the publication of such advertisements and notices on a publicly accessible website will cost approximately \$12,500 annually, thereby saving the County \$27,500 annually.

### **Staff Recommendation:**

Option #3: Board direction.

## **Report and Discussion**

### **Background:**

The Florida Constitution requires all meetings of a county, municipality, school board, or special district at which official acts are to be taken or at which public business is to be discussed or transacted to be open to the public and properly noticed. The Legislature has enacted general laws to enforce the Constitutional requirement and require that governmental agencies provide for the publication of advertisements and legal notices to residents. The specifications regarding publication of advertisements and legal notices are detailed in Chapter 50, Florida Statutes, which is entitled “Legal and Official Advertisements.” During the FY 2022 legislative session, Section 50.0311, Florida Statutes, was amended to allow a governmental agency the option to publish certain types of legal notices on a publicly accessible County website or other private website designated by the County (collectively referred to as a publicly accessible website) instead of in a print newspaper if certain conditions are met.

Due to the statutorily required circulation and other eligibility requirements that a newspaper must satisfy to be eligible to publish legal notices, County advertisements and legal notices are currently published in the Tallahassee Democrat. As part of its publishing service and as required under Florida law, the Tallahassee Democrat also publishes the ads in its e-newspaper and at no additional charge places the ad on the statewide Florida Press Association’s (FPA) “Florida Public Notices” website, which includes advertisements and legal notices published in all newspapers throughout the state of Florida.

In the County’s continuous efforts to identify opportunities to reduce costs, this item seeks Board direction regarding the establishment of a publicly accessible website to provide for the posting of certain advertisements and legal notices for the County and other governmental agencies rather than publishing such advertisements and notices in the newspaper. “Governmental agency” is defined in Section 50.0311(1), Florida Statutes, to mean “a county, municipality, school board, or other unit of local government or political subdivision in this state.” Therefore, if the County meets the statutory criteria and opts to publish County advertisements and legal notices on a publicly accessible website, other governmental agencies will have the option of using the publicly accessible website to publish their advertisements and legal notices. If available, the City of Tallahassee (City) has indicated its intention to use the publicly accessible website as discussed in the analysis below, which may assist in offsetting overall costs. Additionally, the County has received inquiries from other agencies including Tallahassee Community College and the Leon County Research and Development Authority regarding use of a County website for their legal notices as well.

Residents who do not have or wish to access advertisements and legal notices on a publicly accessible website may register to receive first class mail and/or email notification for advertisements and legal notices not required to be published in a newspaper.

The County must meet certain statutory requirements to be able to publish advertisements and legal notices on a publicly accessible website. As the threshold requirement, the cost of publishing

advertisements and legal notices on such website must cost less than the cost of publishing advertisements and legal notices in the newspaper. Other technical requirements for publishing notices on a publicly accessible website are included in Attachment #1.

Even if the County opts to publish on the publicly accessible website, the County will still be legally required to continue to publish certain notices in the newspaper, including but not limited to notices regarding the following matters:

- Enacting or amending an ordinance or resolution that changes the list of permitted, conditional, or prohibited uses within a zoning category, or ordinance or resolution initiated by the County that changes the zoning map designation of parcel(s) of land involving 10 contiguous acres or more;
- Adopting a non-ad valorem assessment roll;
- Adopting an assessment resolution and non-ad valorem assessment roll for the Local Provider Participation Fund Non-Ad Valorem Assessment;
- Intent to use the uniform method to collect non-ad valorem assessments;
- Intent to adopt a final budget;
- Exchange of County property;
- Sale of real property owned by the County/calling for bids;
- Notice of intent to consider a development agreement;
- Notice of Community Development Block Grant (CDBG) public hearings;
- Notice of conflict assessment meetings between local governmental entities;
- Closing and abandonment of roads.

However, the County publishes approximately 95 public notices in the local paper annually which could be moved solely to a publicly accessible website. These public notices include but are not limited to enacting or amending most ordinances, adopting resolutions regarding inventory of lands for affordable housing, attorney client shade meetings, notice of sale of real or personal property under a judicial order and others.

Attachment #1 includes a chart entitled “Requirements for Publication of Notices” that highlights the typical notices that the County publishes in the local newspaper and indicates whether the County could utilize a publicly accessible website to publish such notices.

### **Analysis:**

To comply with advertisement and legal notice requirements, the County currently publishes legal ads and public notices in the Tallahassee Democrat. As part of its publishing service and as required under Florida law, the Tallahassee Democrat also publishes the ads in its e-newspaper and at no additional charge places the ad on the statewide Florida Press Association’s (FPA)

“Florida Public Notices” website, which includes advertisements and legal notices published in all newspapers throughout the state of Florida.

Under the present arrangement the newspaper assumes responsibility for ensuring that advertisements and legal notices are timely and accurately published based upon the information provided by a governmental agency, and attests that the advertisements and legal notices were published in compliance with the legal requirements set forth in Chapter 50, Florida Statutes. If the County were to utilize a publicly accessible website, the County would assume the responsibility for ensuring that the advertisements and legal notices of all governmental agencies using the publicly accessible website were timely and accurately published, and the County would be required to issue the affidavit attesting that the advertisements and legal notices were published in compliance with the legal requirements set forth in Chapter 50, Florida Statutes.

As previously mentioned, the threshold requirement for the County to be able to use a publicly accessible website is that the cost of publishing advertisements and legal notices on such website must cost less than the cost of publishing advertisements and legal notices in the newspaper. The City has advised that it will utilize the publicly available website for publication if the County decides to utilize such website for publication and the City has expressed that it is willing to share 50% of the costs to implement and maintain the site. The City’s current publication costs are comparable to the County’s current publications costs.

Table 1 shows the costs for all County legal public notices paid to the Tallahassee Democrat over the past two fiscal years. These costs do not include other advertising in the newspaper for items such as The County Link and job postings which averaged \$60,000 in FY 2021 and FY 2022, or the \$6,000 spent on public notices that will still be required to be published in the newspaper (budget ads, special assessments, sale of real property, etc.).

**Table 1: County Legal Public Notice Advertising Costs**

	# Ads	Advertising Costs
FY 2021		
Leon County	93	\$25,000
Tallahassee/Leon County Planning	18	\$18,000
<b>Total</b>	<b>111</b>	<b>\$43,000</b>
FY 2022		
Leon County	95	\$25,000
Tallahassee/Leon County Planning	15	\$10,000
<b>Total</b>	<b>110</b>	<b>\$35,000</b>

As reflected in Table 1, the County generally publishes over 90 advertisements and legal notices annually in the Tallahassee Democrat at a cost of approximately \$25,000 a year. Additionally, the Tallahassee-Leon County Planning Department has spent on average \$14,000 on legal notices and unincorporated area comprehensive plan amendments and zoning changes.

Several other counties that have implemented use of a publicly accessible website in lieu of newspaper publication, or are considering eliminating newspaper publication, were contacted to determine their approach and implementation costs. Manatee, Sarasota, Broward, and Brevard Counties have implemented the website option.

Of the four counties that have implemented the new website approach, two counties (Broward and Brevard) have realized a costs savings and are utilizing a private vendor to avoid hiring additional employees. In addition, the two Counties have stated using the private vendor has provided for a simple transition.

The other two counties, Manatee and Sarasota Counties, have elected to use each county's respective official website for publication. In comparison to Leon County's existing newspaper publication costs, the costs were far greater in these two counties to use newspaper publication. Sarasota County spent approximately \$200,000 annually on print advertisements and legal notices. With the transition to use the publicly accessible website, Sarasota County has been able to hire a full-time position to coordinate the online publication of advertisements and notices.

Leon County could contract with a private vendor and designate a Leon County branded privately maintained website for publication of County advertisements and legal notices. To determine what platforms were available several private vendors that are currently providing this publication service to various governmental agencies in the state were contracted. The preliminary analysis indicates the cost to the County would be approximately \$25,000 to use a private vendor. The City has indicated it would share equally in the cost, so the County and the City would each be responsible for approximately \$12,500 in costs annually. In addition to establishing and maintaining the publicly available website, the vendor would be responsible for ensuring that the designated publicly accessible website and all published advertisements and legal notices comply with the requirements in Chapter 50, Florida Statutes. Any additional governmental agencies that opt to utilize the private website designated by the County would only further mitigate cost.

Alternatively, Leon County could elect to utilize its own website to publish advertisements and legal notices. However, while the County does not anticipate needing a full-time position for coordination and compliance with the requirements in Chapter 50, Florida Statutes, a portion of time from existing positions would need to be dedicated, with an estimated \$15,000 annual cost. In addition, there would be a one-time cost of approximately \$35,000 to establish the website and a small recurring cost to maintain the website. Given these factors, if the County opts to utilize a publicly accessible website for the publication of advertisements and legal notices, contracting with one of the existing private vendor solutions and designating a publicly accessible privately maintained website for publication of County advertisements and legal notices is recommended.

If the County opts to utilize a publicly accessible website to publish legally required advertisements and legal notices, the law requires that the County provide notice at least once per year in a newspaper of general circulation or another publication that is mailed or delivered to all residents and property owners throughout the County, indicating that property owners and residents may receive legally required advertisements and legal notices from the County by first-class mail or e-mail upon registering their name and address or e-mail address with the County. It

is unknown at this time how many citizens would request to receive such advertisements and notices by first-class mail or e-mail. It is unknown how many property owners and residents may elect one of these options, and the associated annual costs for mailings would be dependent on the number of residents opting to receive mailed or e-mailed advertisements and notices. The estimated cost to mail each notice is \$1.50 as proposed by potential vendors. This cost is consistent with what the County pays for first-class mailings for other items such as special assessment (stormwater, solid waste, etc.) notices. However, the cost of the first-class mailing could be expensive if a number of citizens opt for this approach.

To keep first-class mailing costs to a minimum, other jurisdictions, such as Sarasota County, are giving residents and property owners the option to subscribe to receive notices via e-mail, at no additional cost. To date, 75 citizens have registered to receive e-mail notices in Sarasota County, and no citizens have registered to receive first-class mailings. If Leon County opts to utilize a publicly accessible website to publish legally required advertisements and legal notices, the County would also give residents and property owners the option to subscribe to receive notices via e-mail, as e-mailed notices could be provided at no cost using existing County software.

Table #2 provides a summary of the current newspaper publications costs compared to using a publicly accessible website. Based on feedback from other counties that have implemented a publicly accessible website, the table does not reflect costs of first-class mailings of public notices as it's anticipated these can be provided through the County's current email notification software, at no additional costs.

**Table #2: Summary of Advertisement and Legal Notice Publication Cost Options\***

	<b>Current Newspaper Cost</b>	<b>Private Website Designated by County Cost</b>
Advertisement and Legal Notice Publishing Cost	\$40,000	\$25,000
City Cost Share	\$0	(\$12,500)
Total Cost	\$40,000	\$12,500

*\*While unknown at this time, the cost to send advertisements and legal notices to residents and property owners via first class mail could become expensive depending upon the number of residents and property owners who request this option.*

As shown in Table #2, the net cost to the County of providing advertisements and legal notices using a private website designated by the County would be approximately \$12,500 annually or a recurring savings of \$27,500.

#### Conclusion:

During the FY 2022 legislative session, Section 50.0311, Florida Statutes, was amended to allow a governmental agency the option to publish certain types of legal notices on a publicly accessible County website or other private website designated by the County (collectively referred to as a

publicly accessible website) instead of in a print newspaper if certain conditions are met. The County must meet certain statutory requirements to be able to publish advertisements and legal notices on a publicly accessible website. As the threshold requirement, the cost of publishing advertisements and legal notices on such website must cost less than the cost of publishing advertisements and legal notices in the newspaper. Assuming the County meets the statutory requirements, the County is not required to publish its advertisements and legal notices on a publicly accessible website in lieu of publishing such advertisements and notices in the newspaper.

If the County elects to utilize a publicly accessible website for the publication of advertisements and legal notices, it is recommended to contract with one of the existing private vendor solutions and designating a private website for publication because of the associated cost savings. As noted, the City has indicated that it will pay half the costs if the County utilizes a publicly accessible website. Accordingly, the cost for the County to implement a publicly designated website would be \$12,500. If other governmental agencies opt to utilize the publicly accessible website, a publication fee could be charged to further off-set the costs for publishing such advertisements and notices.

Additionally, if the Board wishes to utilize a publicly accessible website for the publication of advertisements and legal notices, the County Attorney has recommended that the Board adopt an Ordinance codifying the County's election to use a publicly accessible website as the method providing notice to residents and property owners when legally permissible. It is anticipated that a website could be operational no later than late summer/early fall following adoption of the Ordinance. In addition, the County would formalize with the City its obligation to pay half the costs.

**Options:**

1. Direct staff to:
  - a. Prepare an Ordinance and schedule a public hearing for July 11, 2023, that requires Leon County to host a publicly accessible website for the digital publication of certain advertisements and legal notices as allowed by Florida Statutes.
  - b. Authorize the County Administrator to prepare a cost sharing agreement with the City of Tallahassee for Board approval.
2. Accept the report providing the overview of legislative changes concerning publication of advertisements and legal notices and take no further action.
3. Board direction.

**Recommendation:**

Option #3

**Attachment:**

1. Chart of Requirements for Publication of Notices

### **Requirements to Publish Notices on a Publicly Accessible Website**

- The cost of publishing notices on a publicly accessible website must be less than publishing in the newspaper.
- A link to the legal notices on a publicly accessible website must be conspicuously placed on or accessible through a direct link from the publicly accessible website's homepage and the homepage of the website of each governmental agency publishing legal notices online.
- A governmental agency publishing legal notices on a publicly accessible website must give notice in a newspaper or in a mailed or delivered publication, at least annually, that property owners and residents may receive legal notices from the governmental agency by first-class mail or e-mail upon registering with the agency.
- A governmental agency publishing legal notices on a publicly accessible website must maintain a registry of property owners and residents who request in writing to receive legal notices from the governmental agency by mail or e-mail.
- Each legal notice published on a publicly accessible website must be in searchable form and indicate the date of first publication.
- A public bid advertisement made by a governmental agency on a publicly accessible website must include a method for accepting electronic bids.
- A notarized affidavit of publication of the notice must be provided. A charge of not to exceed \$2 is allowed.

## Leon County Requirements for Publication of Notices

Action	Legal References	Comments
Enact or amend a “regular” ordinance	§ 125.66(2)(a), F.S.; ch. 50, F.S.	<u>Effect of CS/HB 7049</u> : Allows notice to be published on publicly accessible website.  Statute requires notice of intent to consider the ordinance to be published as provided in chapter 50, F.S.
Enact or amend an ordinance or resolution, initiated by other than the County, that changes the zoning map designation of parcel(s) of land	§ 125.66(4), F.S.; § 125.66(2)(a), F.S.; ch. 50, F.S.	<u>Effect of CS/HB 7049</u> : Allows notice to be published on publicly accessible website.  Statute requires notice of intent to consider the ordinance to be published as provided in chapter 50, F.S.
Enact or amend ordinance or resolution that changes the list of permitted, conditional, or prohibited uses within a zoning category, or ordinance or resolution initiated by the County that changes the zoning map designation of parcel(s) of land involving 10 contiguous acres or more	§ 125.66(4)(b)1., F.S.	<u>Effect of CS/HB 7049</u> : No effect. Statute requires publication of notice in the local newspaper.  Notice shall not be placed in that portion of the newspaper where legal notices and classified advertisements appear. The advertisement shall be placed in a newspaper in the county and of general interest and readership in the community pursuant to chapter 50, F.S. It is the legislative intent that, whenever possible, the notice shall appear in a newspaper that is published at least weekly unless the only newspaper in the community is published less than weekly.
Adopt non-ad valorem assessment roll	§ 197.3632(4)(b), F.S.	<u>Effect of CS/HB 7049</u> : No effect. Statute requires publication of notice in the local newspaper.  At least 20 days prior to the public hearing, the local government shall notice the hearing by publication in a newspaper generally circulated within each county contained in the boundaries of the local government.
Adopt assessment resolution and non-ad valorem assessment roll for the Local Provider Participation Fund Non-Ad Valorem Assessment	§ 8-209, Leon County Code	<u>Effect of CS/HB 7049</u> : No effect. Leon County Code requires publication of notice in the local newspaper.  Not earlier than 20 calendar days prior to the hearing, the County shall publish notice once in a newspaper of general circulation within the county.
Intent to use uniform method to collect non-ad valorem assessments	§ 197.3632(3)(a), F.S.	<u>Effect of CS/HB 7049</u> : No effect. Statute requires publication of notice in the local newspaper.  The local government shall publish notice of its intent to use the uniform method for collecting the assessment weekly in a newspaper of general circulation within each county contained in the boundaries of the local government for 4 consecutive weeks preceding the hearing.

Action	Legal References	Comments
Intent to adopt final budget	§ 129.03(3)(a), F.S.; § 200.065(2)(d), F.S.; § 200.065(3), F.S.	<p><u>Effect of CS/HB 7049</u>: No effect. Statute requires publication of notice in the local newspaper.</p> <p>Within 15 days after the meeting adopting the tentative budget, County must advertise in a newspaper of general circulation its intent to adopt a final millage rate and budget. Whenever possible, the advertisement should be in a newspaper that is published at least weekly unless the only newspaper in the county is published less than weekly. The newspaper should be one of general interest and readership in the community pursuant to chapter 50.</p>
Review of notice of proposed change (NOPC) to a previously approved development of regional impact (DRI)	§ 380.06(7), F.S.	<p><u>Effect of CS/HB 7049</u>: Allows notice to be published on publicly accessible website.</p> <p>Statute does not specifically state that notice must be published in the local newspaper. The County's practice has been to publish notice in the newspaper.</p>
Adopt resolution that includes an inventory list of real property to which the County holds fee simple title that is appropriate for use as affordable housing	§ 125.379(1), F.S.	<p><u>Effect of CS/HB 7049</u>: Allows notice to be published on publicly accessible website.</p> <p>Statute does not specifically state that notice must be published in the local newspaper. The County's practice has been to publish notice in the newspaper.</p>
Exchange of county property	§ 125.37, F.S.	<p><u>Effect of CS/HB 7049</u>: No effect. Statute requires publication of notice in the local newspaper.</p> <p>Before any exchange of property shall be effected, a notice, setting forth the terms and conditions of any such exchange of property, shall be first published, once a week for at least 2 weeks, in a newspaper of general circulation published in the county, before the adoption by the board of county commissioners of a resolution authorizing the exchange of properties.</p>
Sale of real property owned by the County / calling for bids	§ 125.35(1)(c), F.S.	<p><u>Effect of CS/HB 7049</u>: No effect. Statute requires publication of notice in the local newspaper.</p> <p>No sale of any real property shall be made unless notice thereof is published once a week for at least 2 weeks in some newspaper of general circulation published in the county, calling for bids for the purchase of the real estate so advertised to be sold.</p>
Notice of intent to consider a development agreement	§ 163.3225(2), F.S.	<p><u>Effect of CS/HB 7049</u>: No effect. Statute requires publication of notice in the local newspaper.</p> <p>Statute requires notice of intent to consider a development agreement to be advertised approximately 7 days before each public hearing in a newspaper of general circulation and readership in the county where the local government is located.</p>

Action	Legal References	Comments
Attorney-Client “Shade” meeting	§ 286.011(8)(d), F.S.	<p><u>Effect of CS/HB 7049</u>: Allows notice to be published on publicly accessible website.</p> <p>Statute does not specifically state that notice must be published in the local newspaper. The County’s practice has been to publish notice in the newspaper.</p> <p>Statute requires the entity to give reasonable public notice of the time and date of the attorney-client session and the names of persons who will be attending the session.</p>
TEFRA bond hearing	26 CFR § 1.147(f)-1(d)(4)	<p><u>Effect of CS/HB 7049</u>: Federal law would allow notice to be published on a publicly accessible website.</p> <p>Code of Federal Regulations (CFR) requires reasonable public notice no fewer than 7 days before the public hearing. The notice can be provided by newspaper publication, radio or television broadcast, governmental unit website posting, or as provided by state law. The County’s practice has been to publish notice in the newspaper.</p>
Community Development Block Grant (CDBG)	73C-23.0031(27), F.A.C.; 73C-23.0041(1)(a), F.A.C.	<p><u>Effect of CS/HB 7049</u>: No effect. Florida Administrative Code (F.A.C.) requires publication of notice in the local newspaper.</p> <p>F.A.C. requires a local government that applies for CDBG funding to provide public notice of all public hearings in the local newspaper. The public notice must be published in a local newspaper of general circulation at least five days and no more than 30 days prior to the day of the event for which the notice was placed.</p>
Conflict assessment meeting between local governmental entities	§ 164.1053(1), F.S.; § 164.1031(7), F.S.	<p><u>Effect of CS/HB 7049</u>: No effect. Statute requires publication of notice in the local newspaper.</p> <p>Statute requires notice to be given at least 10 days prior to the meeting by publication in the newspaper of widest circulation in the jurisdictions of the primary conflicting governmental entities. Each primary conflicting governmental entity shall provide notice within its jurisdiction.</p>

Action	Legal References	Comments
Notice of intent to designate positions for inclusion in the Florida Retirement System “Senior Management Service Class”	§ 121.055(1)(b)1.a., F.S.	<p><u>Effect of CS/HB 7049</u>: Allows notice to be published on publicly accessible website.</p> <p>Statute requires publication of notice on a publicly accessible website or in the local newspaper.</p> <p>Statutes requires notice of intent to designate positions for inclusion in the class to be published for at least 2 consecutive weeks if published on a publicly accessible website as provided in s. 50.0311, F.S., or once a week for 2 consecutive weeks in the local newspaper.</p>
Notice of sale of real or personal property under a judicial order or judgment	§ 45.031(2), F.S.	<p><u>Effect of CS/HB 7049</u>: Allows notice to be published on publicly accessible website.</p> <p>Statute requires notice of the sale to be published on a publicly accessible website as provided in s. 50.0311 for at least 2 consecutive weeks before the sale or once a week for 2 consecutive weeks in a newspaper of general circulation, as provided in chapter 50, published in the county where the sale is to be held.</p>
Closing and abandonment of roads	§ 336.10, F.S.	<p><u>Effect of CS/HB 7049</u>: No effect. Statute requires publication of notice in the local newspaper both before and after the public hearing.</p> <p>Statute requires notice of a public hearing to consider adopting a resolution to close and vacate the right or interest of the County or public in land to be published one time in a newspaper of general circulation in the county at least 2 weeks prior to the hearing. After the public hearing, notice of the adoption of the resolution must be published one time, within 30 days following its adoption, in one issue of a newspaper of general circulation published in the county.</p>