

**MINUTES  
TOWN OF MONTVERDE  
SPECIAL TOWN COUNCIL MEETING**

**June 23, 2015**

The Town of Montverde met in special session on Tuesday, June 23, 2015 at 7:00 PM in the Town Hall Auditorium.

**Council Present:**

President Glenn Burns

Billy Bates

Arthur Nix

Jim Pierce

Joe Wynkoop

**Staff Present:**

Graham Wells, Town Clerk

Terry Burden, Public Works Director

Anita Geraci- Carver, Town Attorney

Mayor Bennett called the meeting to order at 7:03 and led the Pledge of Allegiance.

Roll call was performed, and it was determined that a quorum was present.

**PUBLIC HEARING FOR THE PURPOSE OF RECEIVING PUBLIC COMMENT CONCERNING RESOLUTION  
2015-16 SETTING THE RATE FOR THE FIRE SERVICES ASSESSMENT**

Mayor Bennett explained that this is the continuation from the meeting on June 9. He said since that time, he and staff have had a little more time to get information on the "Hardship" process. He explained that for those with limited income, the Resolution allows them to apply for hardship. Council can select the amount that a hardship case would have to pay, then the Town would pay for the rest. The Hardship Program establishes guidelines for the amount of household income that would qualify for hardship. The Town processes the application, and can require that applicants submit proof, such as their W2, 1040's, etc.

Councilman Nix stated that he does not have a problem with including the Hardship Program in the Resolution. He said that there would probably only be a handful of people that would qualify.

Councilman Wynkoop said that he thinks it makes sense to make the Hardship fire assessment fee be \$40, since that is what all residents are currently paying. The Councilmen discussed the various salary criteria available for the Hardship Process. Consensus was to go with the very lowest income limit.

Mayor Bennett said that he received a letter from Erin Brecheen. Her letter referenced her outbuildings that were not considered dwelling units. Mayor Bennett said in these cases, all residents have to do is come to Town Hall before August 1 to get the record corrected to accurately reflect the number of dwelling units on each parcel. Councilman Nix asked to have that information put on the website and newsletter. Sandy, with Government Services Group, stated that the Property Appraiser classifies a building based on its highest and best use. So that is why some of these outbuildings have been incorrectly classified as dwelling units.

Mayor Bennett opened the floor for public comment.

*Ruth Ryan.* Mrs. Ryan stated that she feels that the collection does need to be put on the tax bill. But she feels that the assessment should be based on square footage of the home. She understands that it may be too late for this year, but she would like Council to consider square footage next year.

Mayor Bennett responded that there is about \$4,000 to \$5,000 of fire assessment fees each year that are uncollectible. He said legally, it is difficult to place a lien to collect it. So the Town has been taking the debtors to Small Claims Court but the process is going very slow.

Mayor Bennett then said that the Town cannot use the square footage methodology this year. But it can be done for next year. Councilman Wynkoop did an analysis on using the square footage methodology. He said this methodology is the fairest. Councilman Nix asked if a large home made more fire calls than a small home. Councilman Wynkoop stated no, but that it takes more money to put out a large home on fire than a small one. Councilman Nix replied that most calls are medical. Mayor Bennett asked if any other cities are using the square footage methodology. Clermont seems to be the only city using this methodology. Mayor Bennett said that staff will keep an eye on Clermont's process to see what their issues are.

Councilman Pierce asked for clarification as to why GSG used the methodology they used. Sandy said that when someone calls when their house is on fire, it costs the same amount of money for the truck to respond regardless of the size of the home.

Councilman Wynkoop suggested collecting only the \$40 this year, and then going to the square footage methodology next year. Councilman Nix said that he does not think that the square footage methodology is fair because most of the calls are medical, and it costs the same to respond to medical calls in a small house versus a big house. Councilman Wynkoop said that property taxes are charged based on how big the home is. Councilman Nix stated that a bigger home does not use more County services than a small home, so how is that fair? Mayor Bennett asked if the square footage methodology will be valid in court. Sandy responded that the study would have to be redone if the Town wanted to use the square footage methodology. Councilman Pierce stated that the square

footage methodology would still be burdening the residents with the commercial, education, and industrial deficits.

*Mr. Lopez, Virginia Circle.* Mr. Lopez stated that if two people in different homes get sick, one person will be paying more for calling the Fire Department under the square footage methodology.

*Dale Heathman.* Dale asked if the \$40 fire assessment fee was a tax. Anita Geraci-Carver replied that legally, it is not, even though it will be on the tax roll. Sandy said that the methodology chosen by the Town is the one that has been proven to be legally defensible in court. Sandy said that the assessment is considered to be a non-ad valorem assessment, meaning that it has to have a benefit to property. The non-ad valorem assessment for fire can only be used for fire.

Dale noted that the budget for the Fire Department is \$110,000, while the current fire assessment only brings in \$40,000. Mayor Bennett stated that budget runs from around \$92,000 to \$110,000 each year. This year may reach \$140,000 because so much equipment has broken. Councilman Pierce said that staff has been better at staggering expenses, such as staggering the replacement of the turnout gear so that the Town isn't replacing twenty sets of turnout gear in one year.

Councilman Pierce asked if the square footage methodology is less defensible. Sandy responded that it can be defensible, but it's not as widely used or known.

A resident suggested using the assessed value of the property to apportion the fire assessment fees. Councilman Nix stated that that goes back to the square footage of your home.

Dale Heathman asked what the advantage was of turning the fire assessment fee over to the County. Sandy replied that the Town was not turning the assessment over to the County. She said that the Town is entering into an agreement with the Tax Collector whereby the Tax Collector collects the money, and gives it back to the Town. This way offers better collection because property owners must pay all of their taxes in full, or the property is liened. Mayor Bennett said that on the tax bill, there will be a separate listing for the Montverde fire assessment. This ensures the Town that it will get its funds.

Dale asked why the Town is increasing the fees. Mayor Bennett stated that the original idea was just to perform a study and put the fire assessment into its own fund.

A resident said that up north, a lot of firefighters do fundraising to alleviate some of the burden on the taxpayers. Mayor Bennett said he does not see a lot of that happening here.

A resident brought up the fact that the original notice was sent out stating that the rate would be increased to \$160 per residential unit. Mayor Bennett said that the State has specific language that must be used when advertising, and that the Town was required to state what the maximum amount to charge was going to be, whether they were going to charge that high or not.

A resident asked what will happen to those that have not paid their fire assessments in prior years. Mayor Bennett responded that the Town will continue to pursue those through Small Claims Court. The resident asked if the Fire Department has to respond to their house fire if the resident has not paid. Mayor Bennett responded yes.

Councilman Wynkoop said that if we are increasing the fire assessment, what are we going to do with the excess money that will now be in the General Fund. Councilman Bates replied that since it is in the General Fund, it can be used for road improvements, parks, etc. Mayor Bennett reiterated that of the Fire Department's \$110,000 budget, \$40,000 comes from the assessment, and the remainder comes from the General Fund.

Councilman Nix also said that adopting this Resolution will ensure the viability of the Fire Department. Future Councils will not be able to easily slash funding to the department, since it will have its own revenue source.

Councilman Wynkoop said that he agreed with all of that, he just felt as though the Town is causing the residents to pay more, because their assessment fee is going up, and their property tax rates are staying the same. Councilman Nix said that Council has been considering "forgiving" the fire assessment charged to all residents in the first year, so really they would not be paying more. Councilman Bates said that we are having to use too much of General Fund dollars for the Fire Department. He would rather his property taxes go to the Town for road improvements, park improvements, and other things that the General Fund should be used for.

Mayor Bennett said that it is very cumbersome when the General Fund is mixed with the Fire Assessment revenue. It is difficult to separate, and there is no fair way to reduce the extra.

Mayor Bennett said that the increase to \$120 a year amounts to a little over \$6 a month.

Dale Heathman said that the Town is in essence increasing funds by \$70,000. Anita Geraci-Carver said that the additional funds are being generated by the fire assessment, which is freeing up \$70,000 in the General Fund. Town Council can chose to lower the millage to a rate the produces \$70,000 less in revenue, or re-appropriate the money in the General Fund for other purposes.

Councilman Burns said that he feels like the discussion about the millage rate and what the excess \$70,000 should be used on is a separate budget discussion. He invited residents to come back at budget time to offer suggestions as to what to do with the money.

Mayor Bennett said that he is up for re-election this year, and this is the toughest subject matter he has had to face. But he really believes that the assessment needs to be on the tax bill and needs to be funded at a level to begin to give the department its own separate fund.

Mayor Bennett reminded everyone that there are entities in Town that do not pay any taxes at all. So because the millage is having to subsidize the Fire Department, the residents are in essence footing the bill for fire services for those entities that do not pay taxes. Councilman Pierce pointed out the presentation created by GSG shows how the education entities are only paying \$11,000 of the fire service calls they are making, while the residents, through property taxes, are paying the extra \$22,000 to cover their fire service calls. Mayor Bennett said that he spoke to Kasey Kesselring, and he is ok with paying what he has to. Councilman Nix reminded everyone that the lower the rate that is adopted, the less that the educational entity must pay.

A resident stated that Montverde Academy is a boarding school, not a traditional school. She said that it should be classified as residential, not educational. Sandy stated that the Academy is legally classified as an educational institution. If there are some homes owned by the Academy where a teacher lives, those would be classified as residential.

Councilman Pierce stated that the Town cannot increase the level for the educational portion at a higher rate than the residential rate. All rates must be increase by the same amount. He said that he would be more than willing to reduce the millage to return the money back to the residents, but the thing is that people with larger homes would get a lot of money back while those with smaller homes would get very little back; this is not fair.

A resident asked how much the Town is charging for ambulance services. Sandy replied that the Town does not charge or provide ambulance services. The Fire Department provides basic life support. Mayor Bennett said the Town maybe needs to be a stronger force in providing service for these medical calls. So this process would be the first step in moving forward with the Fire Department.

Mayor Bennett said that staff is in talks with Bella Collina to provide service to them (and receive assessment fees from them). This additional revenue would alleviate the burden to Montverde residents.

Mayor Bennett closed public comment.

Anita Geraci-Carver read the Resolution in title only.

Councilman Nix said that he wanted to reiterate that Council is protecting the Fire Department. It is a good department with a great rating. Councilman Bates said that he looks at this issue from the perspective of being a resident. He said that if one of his kids gets hurt, he wants someone to show up right away, and not have to wait for the ambulance to come from Clermont. He said that he would rather pay the increased fees to ensure that his loved one gets the attention they need in an emergency. He also said that the Department had to replace fire hoses, and that money had to come from the General Fund. And taking money from the General Fund means taking money away from roads, parks, etc. Mayor Bennett said for an additional \$6 to \$8 a month, they Town could get such greater fire service.

Councilman Pierce said that he thinks the rate should be set at \$80, due to the fact that residents would normally pay \$40 for the assessment fee, and the Town would be "forgiving" the prior year's assessment. Councilman Burns said that he would back \$80.

**MOTION by Councilman Pierce to adopt Resolution 2015-16 with the addition of the HUD very low income rate for the Hardship and at the rate of \$80 for residential dwelling, \$0.07 per square foot for non-residential, \$0.08 per square foot for educational, \$11 per parcel for land; SECONDED by Councilman Nix**

**For: Burns, Bates, Nix, Pierce, Wynkoop**

**Against: None**

Mayor Bennett asked for clarification that Council wanted staff to not bill the Fire Assessment fee for 2015.

**MOTION by Councilman Bates to direct staff not to charge the Fire Assessment fee for 2015; SECONDED by Councilman Nix.**

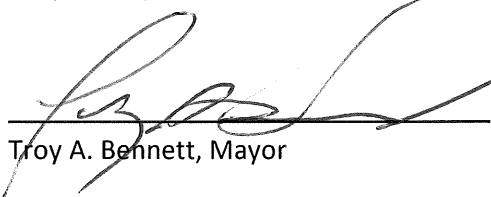
**For: Burns, Bates, Nix, Pierce, Wynkoop**

**Against: None**

**ADJOURN**

**MOTION to Adjourn by Councilman Bates; SECONDED by Councilman Nix at 8:35pm. Passed unanimously.**

Respectfully submitted,

  
Troy A. Bennett, Mayor

  
Glenn Burns, Council President

ATTEST:

  
Graham Wells, Town Clerk

