Official Minutes of
MARION COUNTY
BOARD OF COUNTY COMMISSIONERS

February 27, 2025

CALL TO ORDER:

The Marion County Board of County Commissioners (BCC) met in a workshop session in Commission Chambers at 3:01 p.m. on Thursday, February 27, 2025 at the Marion County Governmental Complex located in Ocala, Florida.

INTRODUCTION OF WORKSHOP BY CHAIRMAN KATHY BRYANT

Chairman Bryant advised that the workshop was scheduled this afternoon to discuss Marion County Fire Rescue Assessment Rates.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance to the Flag of our Country.

ROLL CALL

Upon roll call the following members were present: Chairman Kathy Bryant, District 2; Vice-Chairman Carl Zalak, III, District 4; Commissioner Craig Curry, District 1; Commissioner Matthew McClain, District 3; and Commissioner Michelle Stone, District 5. Also present were County Attorney Matthew G. Minter, County Administrator Mounir Bouyounes, Assistant County Administrator (ACA) Tracy Straub.

It was noted for the record that the Deputy Clerk was in receipt of a 27 page Agenda packet to follow along with the PowerPoint presentation.

PRESENTATION

1. Workshop to discuss Marion County Fire Rescue Assessment Rates.

Fire Chief James Banta, Marion County Fire Rescue (MCFR) presented the following recommendation:

Description/Background: This fire assessment workshop will provide an overview of Marion County's Fire Rescue Services Municipal Services Benefit Unit (MSBU), including a comparison of the current assessment methodology with the proposed updates. The discussion will cover the assessable budget, cost apportionment, demand and availability calculations, and rate structures. The workshop will also present projected revenue impacts and rate adjustments based on the latest fiscal analysis.

Stakeholders will have the opportunity to review changes from the 2019 study and understand the financial implications of the proposed modifications for FY 2025-26 and beyond. The current rates were adopted by resolution on September 10, 2019, and the proposed new residential combined rate, based on a five-year average, would reflect an increase of $84.06.

Residential Category	Service Component	Availability Component	
Residential	Per Dwelling Unit	Per EDU	Total
	$76.53	$207.44	$283.97
Non Residential Categories	Per Square Foot	Perr EDU	
Commercial	$0.1823	$207.44	
Industrial Warehouse	$0.0218	$207.44	
Institutional	$0.1521	$207.44	

Miscellaneous Buildings (Greater Than 300 Sq. Ft.)	$0.0128	N/A	
Land Category	Per Acre	Per EDU	
Land	$3.95	N/A	
Estimated Assessable Budget	$20,580,861	$37,100,923	$57,681,784
Estimated Exempt Buy-Down	$4,275,307	$923,908	$5,199,215
Estimated Net Revenue	$16,305,554	$36,177,015	$52,482,569
Total Estimated Net Revenue	$52,482,569		
Estimated MSTU Revenue Needed			$28,519,299
Total Net Revenue			$81,001,868

Recommended Action: Staff is seeking Board discussion and consensus on the proposed assessment rates.

Fire Chief James Banta, MCFR, advised this workshop provides an opportunity to review and discuss the future of MCFR's assessment structure. He commented on the increasing demand for fire services due to growth in the County. Chief Banta stated the goal today is to ensure that funding remains fair, sustainable, and aligns with the evolving needs of County residents and businesses. He advised that the Department will be reviewing the updates to the Municipal Services Benefit Unit (MSBU) assessment methodology including cost apportionment, rate structures, and projected revenue impacts. Chief Banta stated this discussion will provide clarity on how the Department arrived at these recommendations and what they mean to the community moving forward.

Municipal Services Director at Anser Advisory, Sandi Neubarth, Accenture, Tallahassee, advised that her company formerly known as (FKA) Government Services Group, Inc., has been doing the County's Fire Assessment for years and has now been acquired by Accenture. Ms. Neubarth provided an overview relating to the topics of discussion. She referred to the slide on the screen depicting fiscal year (FY) 2024-25 adopted rates, noting there are 2 components to the Fire Assessment (demand and availability) that make up the 1 total rate. Ms. Neubarth stated the FY 2024-25 rates for a single family residential (SFR) property was $199.91, which was based off of the last study performed in 2019. She advised that it generated roughly $37,000,000.00. Ms. Neubarth commented on tax exemptions related to institutional buildings. She stated Accenture started off by looking at the total budget and developed a 5-year average assessable budget, noting it helps to smooth out the rates allowing the Board to adopt the 5-year average rate. Ms. Neubarth advised that Accenture reviewed the total expenditures, netted out the revenues to get the Department's net expenditures, which shows the 5-year net expenditures at roughly $86,000,000.00 for the total budget. She stated the County cannot fund the total MCFR budget through the MSBU Fire Assessment, so the portion that cannot be funded is divided out. Ms. Neubarth advised that the Fire Protection Services is the assessable portion and based on that approximately $57,681,000.00 of the 5-year average assessable budget can be funded from the Fire Assessment. She addressed Cost Apportionment Methodology. Ms. Neubarth stated the $57,000,000.00 budget is split between the 2 components (demand and availability). She advised that relating to the demand component she looked at time in service, training, testing of apparatus, public education, anything which keeps the firefighters from being available to respond to a call. Ms. Neubarth stated she looked at the total hours, the hours they are in service, which is roughly 306,000 man-hours or 35.68% of the total amount of time. She advised that the demand portion is going to be funding 35.68% of the $57,000,000.00 budget. Ms. Neubarth commented on the availability component, noting it includes things such as travel time after a call, maintenance and cleaning of apparatus, etc. She stated staff are available to respond. Ms. Neubarth advised that the component was roughly 552,000 man-hours or 64.32% of the total time, which means the availability component of that

$57,000,000.00 is going to be funded by the 64.32%. She stated the last study (2019) showed the demand component increased approximately 4%, meaning staff is out in the field in service more than they were in 2019.

Ms. Neubarth provided an overview relating to calculating the rates for the demand component. She commented on the rate categories; Residential, Commercial, Industrial/Warehouse, Institutional, Miscellaneous Buildings, and Land. Ms. Neubarth advised that she looks at what percentage of the demand is associated with each category. She stated the FY 2022/23 call data was used, noting 61.10% of the calls went to Residential; therefore, of that $20,000,000.00 budget allocation they would fund 61.10%. Ms. Neubarth advised that 14.84% is funded from Commercial properties; 1.43% gets funded from Industrial/Warehouse; Institutional is 6.49%; 1.99% comes from Miscellaneous Buildings; and land is 14.16%. She stated based on the chart, it appears that the demand for Residential decreased by 4.05% from the last study; Commercial went up approximately 3.30%; Industrial/Warehouse increased by roughly 0.29%; Institutional increased by 0.14%; Miscellaneous Building went down 1.17%; and land is up 1.5%. Ms. Neubarth advised that there will be shifts during the rate calculations due to the shift in demand.

Chairman Bryant questioned if there is anything the Board can attribute to the demand for Residential going down, noting there are more Residential units in the County. Ms. Neubarth stated it is the increase in Commercial calls. She clarified that the percentage is down due to the higher total.

Ms. Neubarth provided a breakdown of the assessable costs associated relating to each category. She commented on how the rates are calculated, noting it is necessary to know what billing unit will be used. Ms. Neubarth advised that for Residential, for the demand component, a per dwelling unit (du) will be utilized; for Non-Residential it is based on a per square foot (sf) basis, including Miscellaneous Building. She noted only Miscellaneous Buildings over 300 sf are included. Ms. Neubarth stated Land is based on a per acre charge. She advised that improved parcels only get charged for land over 5 acres and are capped at 640 acres. Ms. Neubarth advised that there are 164,317 dwelling units in the County, which is roughly 23,000 more than the County had from the 2019 study. She stated Rainbow Lakes Estates (RLE) is included in the MSBU, noting this is the first time it will be based on the County's Ordinance. Ms. Neubarth provided a breakdown of sf for each Non-Residential category. She stated the number of units has gone up relating to each of the rate categories.

Ms. Neubarth advised that the Board can fund whatever budget it chooses whether it is the $57,000,000.00 or something lower, noting the Board cannot overfund and go higher. She provided a brief overview of demand calculations and rates.

Commissioner Zalak questioned the difference between Commercial and Institutional facilities. Ms. Neubarth advised that Institutional relates to things one thinks of as a public purpose, such as schools, non-profits, hospitals, etc. She stated Commercial are things that are for-profit such as doctor's offices, Miscellaneous relates to sheds, outbuildings and things like that.

In response to Commissioner Zalak, Ms. Neubarth advised that Commercial is a higher rate than Industrial/Warehouse due to having more demand relating to the percentage of calls. She stated there is another methodology for calculating rates entitled, "The Availability Methodology", which is just straight availability (time in service) with a per unit rate based on the value of the buildings. Ms. Neubarth advised that it is similar to how taxes are, noting at this time the Supreme Court has accepted the methodology. She clarified that it is not the taxable value of the property or the land. Ms. Neubarth stated Tier 1 is a per Equivalent Billing Unit (EBU) based on a dollar value. She clarified that the per EBU rate is calculated based on the market value of all structures on all properties. Tier 2 tends to shift the burden from the Non-Residential to Residential. She stated under Tier 2 everybody shares equally in the availability of the fire department, so a per parcel charge is created on that Tier 2 rate. Ms. Neubarth advised that her organization sometimes finds that there may be an amount that is the starting point everyone pays. She commented on the flat rate fee, noting where it has been looked at it shifted the burden to SFR and Vacant Land. Ms. Neubarth stated the same amount of funds are generated regardless of the methodology used it just shifts the burden as far as who is paying what portions.

Ms. Neubarth provided a brief overview of the Availability calculations and rates, noting her organization converts all structures square footage into an Equivalent Dwelling Unit EDU based on the average sf an individual's single family house (2,685 sf). She advised that all Residential du's are assigned 1 EDU, while all Non-Residential structures are assigned an EDU value based on dividing the actual square footage of the building by the average of 2,685 sf. Ms. Neubarth stated this is not charged for Land or Miscellaneous Building, noting they only get the Demand Component and then the other Residential and Non-Residential structures all get the second Availability Component. She commented on the 5-year assessable budget showing 64.32% is funded through the Availability ($37,100,923.00), divided by the 178,848 EDUs to get the $207.44 EDU rate.

Ms. Neubarth addressed the combined rates, noting this is based on the 5-year average generating $57,000,000.00 gross dollars. She clarified that this figure does not include the estimated buy-down for government and institutional, which the County has to buy-down due to the inability to shift that burden from those who are not paying to those who are paying. Ms. Neubarth advised that the buy-down has to be paid from some other available funds other than the Fire Assessment. She stated the per du rate for the Demand Component is $76.53 and the per EDU for the Availability Component is $207.44 for a combined rate of $283.97 per du. Ms. Neubarth advised that Commercial is $0.1823 per sf, plus $207.44 for every 2,685 sf. She stated for the Demand Component, the buy-down for the County's Government and Institutional tax-exempt is $4,275,307.00, resulting in a net of $16,305,554.00, which is what would be certified to the Tax Collector. Ms. Neubarth advised that the County may not realize that amount, due to it being on the tax bill and providing individuals with the opportunity to save 4% by paying in November. She commented on the Availability Component, which has a gross of $37,100,923.00, minus the $923,908.00 buy-down, results in a net of $36,177,015.00. The combined components result in a net of $52,482,569.00. Ms. Neubarth referred to a slide showing a rate and revenue comparison based on a 5-year average at 100%. She stated this is based on the rates the Board adopted last year, noting the result is a $84.06 per du increase for Residential, Commercial and the Non-Residentials vary. Ms. Neubarth commented on the decrease in demand relating to Miscellaneous Buildings. She advised that this result in the County netting approximately $14,733,000.00 in addition to what was generated last year through the Fire Assessment. Ms. Neubarth provided an overview of the current and new assessment rates for various property types including the difference (increase/decrease). She referred to a slide showing the rates for various property types if the Board should choose to fund the exact budget year after year, noting based on the projected FY 2025-26 Assessable Budget instead of the $283.97 it would

be $237.22 or an increase of $37.31 for the first year. Ms. Neubarth provided a breakdown for years 2, 3, 4 and 5, which shows the Residential assessment at $325.43 in Year 5.
Commissioner Zalak questioned the total Capital figure of $893,600.00 projected over the next 5 years. Mr. Bouyounes advised that MCFR has Capital Items in their proposed Budget that is beyond what the County is able to fund with the Sales Tax.
Commissioner Zalak commented on the availability rate of roughly 65% and questioned if that means relating to a 24 hour shift the availability is approximately 15 hours a day. Ms. Neubarth stated it is only for fire protection personnel not EMS, but that is accurate. She commented on the need for overlapping relating to staffing, otherwise the Insurance Services Office (ISO) rate will plummet.
Commissioner Zalak questioned whether Ms. Neubarth has clients that have a different way they handle Commercial properties based on those properties with updated fire safety measures (sprinklers, walls, etc.). Ms. Neubarth advised that the City of Gainesville used to have a sprinkler credit associated with their assessment; however, their assessment was different. She stated the assessment was based on Enhanced Capacity Methodology. Ms. Neubarth advised that out of the $8,000,000.00 to $12,000,000.00 generated, only $15,000.00 was associated with the sprinkler credits and it took hours of Administrative time to manage. She stated it was not worth it, so in 2023 they moved away from that methodology to the Historical Demand Methodology and did away with those sprinkler credits.
Commissioner Stone advised that if the data is not "smoothed out", the assessment in the fifth year would end up at $325.43, noting the projections utilize FY 2022/23 call data throughout the entire 5-year period.
Ms. Neubarth stated the past demand is a prediction of the future demand, which is why she recommends the County update the information every 5 years or if there is a change in the level of service (LOS). She advised that she does not look at the number of calls, but rather the demand.
Chairman Bryant clarified that if the Board chooses the "smoothing out" method the assessment is $283.97 total per year, if not it starts at $237.22 in the first year and increases yearly with the assessment in the fifth year at $325.43.
Commissioner Stone stated it is her preference to get the dollar value set for the first 5 years.
Commissioner Zalak stated the Board does not have to fund it 100%.
Chairman Bryant questioned how it will be funded if the Board does not opt for 100%.
Commissioner Zalak opined that some of the Capital costs should be cut and paid for by the Sales Tax.
Mr. Bouyounes stated the question is, what is the Board not going to do that has already been listed for the Sales Tax.
In response to Chairman Bryant, Mr. Bouyounes advised that there is nothing included that is already listed for the Sales Tax and nothing that can be covered by Impact Fees. He clarified that staff are looking for additional capacity to be covered by Impact Fees and the majority of the Sales Tax for MCFR will be utilized for vehicle replacement, equipment and rebuilding of old fire stations.
Chairman Bryant questioned if the Board reinstated the Fire Impact Fees, is there any Capital in the Sales Tax that can be pulled out and covered by Impact Fees and if there is anything that the Board can remove relating to the assessment to shift to Sales Tax.
Fire Chief James Banta, MCFR, advised that staff went through Capital expenditures line by line and what was left is the bare minimum and cannot be paid for by Sales Tax.

Chairman Bryant stated the remaining Capital expenditures do not meet the Statutory requirement to be paid for by Sales Tax.
Chief Banta concurred. He advised that staff did a lot of work relating to future projecting over the last 5 years and it is his opinion that 100% is the appropriate rate.
Chairman Bryant commented on the discussion the Board had last week in regard to the development on NE Jacksonville Road, noting the need for 5 new fire stations means more people.
Chief Banta stated in the expanded services part of this project was adding 3 additional fire engines in year 3 of this plan (Westport, Pedro and Baldwin Ranch), so those positions are programmed into this plan.
In response to Chairman Bryant, Chief Banta advised that funding this at the staggered in rate does fully fund the Department for each budget year.
Chairman Bryant stated this would be the only way to make the impact be less in the next year.
Chief Banta opined that the methodology the Department has used is tried and true, noting they have made 6 years out of the last plan. He advised that being fiscally responsible and the growth within the community combined allowed the Department to get a sixth year; however, there is an impact relating to Reserves.
Chairman Bryant stated the option to “smooth out” the assessment, could possibly get funds in those Reserves that the County can build upon, extending this beyond the 5 years.
Commissioner Zalak commented on the $21,000,000.00 in Personnel and Operating expenses over the next 5 years, noting today he is not prepared to spend that amount on those items. He advised that he does not want to start taxing individuals based on unknowns.
Chairman Bryant stated the Board knows what the County’s growth has looked like and that it is not slowing down, as well as what is and has been approved.
Commissioner McClain questioned what kind of growth component projection over the next 5 years was used. Chief Banta advised that the Department used an annual increase of 5% relating to Wages and Salaries, noting that accounts for additional personnel, wages and a new union contract that will occur during this 5-year period.
Mr. Bouyounes stated after the Board reached consensus today, the next step would be the public hearing to adopt the Ordinance, noting in September the Board would adopt a Resolution.
Chairman Bryant advised that the Resolution would allow the Board to decide at what number they want to implement.
Heather Encinosa, Nabors, Giblin and Nickerson, P.A., Tallahassee Florida, stated typically there is an annual Rate Resolution done in September; however, due to changes in rates and methodology there is an extra step this year. She advised that there will be an amended and restated initial Resolution, which will set the new methodology and new potential maximum rates. Ms. Encinosa stated in September the Board can make its final decision in regard to what those rates will look like, noting the Board can lower the rate but it cannot be raised.
Mr. Minter advised that this step is necessary this year due to the Truth in Millage (TRIM) Notice.
Ms. Encinosa concurred, noting prior to the TRIM Notice the Property Appraiser’s Office (PAO) wants those numbers. She stated an initial assessment Resolution will be brought before the Board prior to that and at that point the Board will set its maximum rate. Ms.

Encinosa advised that the TRIM Notice will advise impacted property owners of the change.
Chairman Bryant questioned if there are any comparisons to surrounding areas (City of Ocala, Lake and Sumter Counties, municipalities, etc.). Chief Banta advised he does not have that information but is confident the City of Ocala has a higher assessment.
In response to Chairman Bryant, Mr. Bouyounes stated he did not look at any other Counties. Mr. Bouyounes advised that staff can obtain that information and share with the Board at the public hearing.
Commissioner Stone noted the County operates at a higher LOS, noting City of Ocala sends 2 individuals out on an engine when the County sends 3.
Chief Banta stated there are different response types from different Departments.
Mr. Bouyounes advised that he was informed the cutoff for the TRIM Notice is June 1, 2025.
Commissioner Bryant stated the public hearing would need to occur before then.
Ms. Encinosa advised that a Resolution would be adopted at that public hearing.
Commissioner Zalak opined that the citizens of Marion County passed a Sales Tax to try to reduce these assessments relating to public safety.
Commissioner Stone advised that the Sales Tax cannot fund Operations.
Commissioner Zalak concurred, noting the Board should exercise caution and review the matter.
Chief Banta stated if the Capital costs are removed it is a $600,000.00 annual decrease.
Chairman Bryant requested Commissioner Zalak perform research and bring some suggestions back to the Board.
General discussion ensued.
Mr. Minter stated in the appendix it has these rates at lower percentages.
Commissioner McClain advised that it is based on the same 5-year budget.
In response to Chairman Bryant, Chief Banta stated the overwhelming majority of that budget is based in Personnel.
Chairman Bryant advised that the County is finally to the point where there is not as much mandatory overtime.
In response to Chairman Bryant, Deputy Chief Robert Graff, Operations, MCFR, stated there are 24 openings in the Fire Budget and 11 openings in the EMS Budget, noting of those 24 openings in the Fire Budget 8 openings are for Fire Station 13. He stated there are 40 individuals in training and 27 entered the field last week.
Chairman Bryant advised that the majority of this budget is in Personnel and $600,000.00 is in Capital.
Mr. Bouyounes stated the Capital items within this budget are based on the best judgement of Chief Banta. He advised that the Board could move all that Capital and put it in Sales Tax; however, the Board would need to cut other projects from the Sales Tax due to a lack of funding.
Chairman Bryant commented on the Board implementing the $237.00 in the first year and then evaluating were the County is relating to what was projected for budget and review the matter each year on that basis.
In response to Commissioner Stone, Chairman Bryant stated a new study is not needed, noting the current study can be utilized for 5 years. She clarified that the Board could adopt at the maximum rate and implement at the rate of their choosing.
Ms. Encinosa advised that the Board could increase the rate each year and would include the updated rates in the annual Rate Resolution adopted at a public hearing each

September. The rates would go out on the TRIM Notice and a new study would not be required.
In response to Chairman Bryant, Ms. Encinosa stated the Board can set the assessment at the lower rate and then increase it annually based on the study. She advised that the next step after this relates to the amended and stated Initial Assessment Resolution, which is not a public hearing. Ms. Encinosa stated that is where the Board would have to provide rate direction relating to the Board's preference for the first year step-up rate or the 5-year average. She noted this would need to occur in May to ensure the information is provided to the PAO by June 1, 2025. Ms. Encinosa advised that the selected rate would go out on the TRIM Notice, and the final rate would be set in September.
Chairman Bryant questioned the timeframe relating to advertising for the public hearing.
Ms. Encinosa stated the public hearing that needs to be advertised is in September and the first class mailed Notice will go out on the TRIM and there is a published Notice that is 20 days in advance.
Chairman Bryant commented on having additional discussion relating to this topic during a regularly scheduled Board meeting, possibly the second meeting in April, 2025.She opined that doing so allows the Board the necessary time to make a decision and have that number ready by June 1, 2025.
Mr. Minter questioned if the September public hearing is distinct from the Budget hearing relating to all of the County's other Assessment Resolutions. Ms. Encinosa advised that it depends on when TRIM Notices go out, noting there must be 20 days from the time TRIM Notices go out and the date of the public hearing.
Chairman Bryant directed Mr. Bouyounes, Mr. Minter and Ms. Encinosa to bring this matter back before the Board as an Agenda Item in the time allotted for the Board to do what it must. She stated she is not in favor of adopting at any less than the 100% recommended rate, even if it is done at the tiered rate for the first year.
In response to Chairman Bryant, Chief Banta advised that the Department could fulfill everything being requested with his budget if the Board goes to the $237.22 the first year, noting there were no expanded services in the first year for the Fire budget.
Mr. Bouyounes clarified that staff will bring the matter back as a discussion Item during the second meeting in April, the initial Resolution will be brought in May, and the final Resolution will be in September.
Commissioner Stone reiterated that the County was able to hold the current assessment rate for 6 years.

BOARD DISCUSSION AND CLOSING COMMENTS: NONE

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There being no further business to come before the Board, the meeting thereupon adjourned at 3:58 p.m.

Kathy Bryant, Chairman

Attest:

Gregory C. Harrell, Clerk

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