



## CITY OF VENICE FIRE ASSESSMENT FISCAL YEAR 2018 FREQUENTLY ASKED QUESTIONS

The information in this document has been prepared to answer some of the questions property owners may have regarding the City's proposed fire assessment program.

### 1. What is the purpose of the proposed fire assessment?

The fire assessment will be used to pay costs and expenses incurred by the City each year in providing fire protection services, facilities, and programs. For the fiscal year beginning October 1, 2017 ("Fiscal Year 2018"), the City is considering funding 50% of its fire protection costs with proceeds of the fire assessment. The balance of costs will be paid with General Fund revenues. The City has never had a dedicated funding source to pay for fire protection services and facilities and replacement of aging Fire Department equipment, vehicles and stations. The assessment would provide the necessary funding to enhance the department's overall level of service to properties in the City.

### 2. Why is the City considering the creation of a fire assessment?

Compared to ad valorem property taxes, an assessment program creates a reliable funding source that does not fluctuate from year to year based on the real property market, economic cycles and other factors beyond the City's control. Also, while many properties are wholly or partially exempt from payment of ad valorem taxes and therefore do not contribute to the cost of providing fire services, the fire assessment would be imposed against all properties that benefit from the service.

### 3. Do other governments have a "Fire Assessment Program" to fund fire service?

Yes. Fire services are funded through assessment programs in many cities and counties throughout Florida.

### 4. Will my ad valorem property taxes go down in equal proportion to the fire assessment?

No, considering the need for additional funds dedicated for Fire Department expenses, an equal reduction in property taxes would not provide the needed additional funds. However, the City is considering a partial offset to the ad valorem millage of a .5000 mill reduction combined with a 50% fire cost recovery assessment.

In June 2017, the City Council determined the preliminary maximum operating millage rate of 3.6000 for the upcoming fiscal year 2018, or \$3.60 per \$1,000 of assessed value on each City parcel. However, in the budget workshop on June 29, 2017, the City Council indicated their intent to consider lowering the operating millage rate by .5000 to 3.1000 if the proposed fire protection assessments are adopted as contemplated.

#### TRIM Notice Information:

- In August-September, all property owners in the City will receive the annual "Notice of Proposed Property Taxes" also called a TRIM notice (Truth-in-Millage) from the Sarasota County Property Appraiser. This notice includes the proposed taxes to be assessed by each taxing authority, dates of public hearings and Market Value and Assessed Value of your property. This TRIM notice will include the preliminary 3.6000 maximum millage rate for the City of Venice. However,
  - If the fire protection assessments **are adopted**, City Council may consider adopting an operating millage rate of **3.1000** (subject to final approval by City Council at its budget hearings set for September 13 and September 27, 2017, both beginning at 5:01 p.m).
  - If the fire protection assessments **are not adopted**, City Council may consider adopting an operating millage rate of **3.6000** (subject to final approval by City Council at its budget hearings set for September 13 and September 27, 2017, both beginning at 5:01 p.m).

### 5. How is the fire assessment calculated for each property?

The methodology currently under consideration by the City apportions costs to properties based on the concept of availability for response. Under this methodology all parcels, improved and unimproved, pay a single base rate (Tier

1). All developed properties would also pay a second charge proportional to the replacement cost of the structure which is determined by the Sarasota County Property Appraiser (Tier 2). Structure value is defined as the sum total of Building and Extra Feature Values as prepared by the Property Appraiser. This is considered to be the most uniform and cost efficient method to establish the replacement cost.

In order to fund 50% of the Fire Department budget through the fire assessment for Fiscal Year 2018, the proposed rates of assessment are \$93.92 per parcel for Tier 1 and \$4.81 per \$5,000 of structure value for Tier 2. Individual total assessments for fire protection will vary depending on each property.

**6. Who actually pays the special assessments?**

Assessments are the responsibility of the owner of the property subject to the assessment. So, each landowner will pay the assessment in a fashion similar to paying their real estate taxes.

**7. What period of time does the fire assessment cover and when will the assessment be payable?**

The fire assessment is re-imposed annually and will cover the City's fiscal year (October 1 – September 30). The assessment for each fiscal year will be collected on the property tax bill mailed in November, beginning in November 2017. The assessment is payable, as part of your tax bill, each year between November 1 and March 31.

**8. What will happen if I do not pay the fire assessment?**

Because the City is using the tax bill collection method, Florida law requires that all ad valorem taxes and accompanying assessments be paid at the same time. If you do not pay your taxes and assessments, the Sarasota County Tax Collector will issue a tax certificate against your property, which may eventually result in a loss of title.

**9. I don't pay taxes now due to homestead exemption? Will I have to pay the fire assessments?**

Yes. Assessments are different than ad valorem taxes and the fire assessment applies to all residential property uses regardless of homestead exemption. The concept of an assessment allocates the cost of the service to all properties that benefit from the service.

**10. I received a discount for early payment of my taxes. Will I receive the same discount for my fire assessment?**

Yes. The same discounts and penalties applicable to ad valorem taxes will also apply to the fire assessment.

**11. Is the special assessment deductible like taxes?**

Property owners should consult their tax advisors for income tax treatment.

**12. Are any properties exempt from the assessment program?**

Property owned by governmental entities (County, City, State, & Federal) and other properties which may be exempt from the payment of special assessments under state or federal law will not be subject to the fire assessments. All other properties will be assessed.

**13. If the information contained on the fire assessment notice is incorrect, how do I get it corrected?**

If information on the notice is incorrect, a correction request should be made to Linda Senne, Finance Director, 401 W. Venice Ave, Venice, Florida 34285 or at 941-882-7421. Staff will research any issues and make corrections to the fire assessment information before certifying it to the Tax Collector for placement on the tax bill.

**14. What will happen at the public hearing scheduled for August 21, 2017?**

The City Council will hear comments from the public regarding the imposition and collection of the fire protection assessments. After receiving comments, the City Council will finalize its decision regarding imposition of the fire assessment as well as the rates of assessment.

Should you have any questions regarding the fire assessment, please call the Finance Department at, 941-882-7421, Monday – Friday between 8:00 a.m. – 4:00 p.m. Information relating to the fire assessment program can also be obtained from the City's website at: [www.venicegov.com](http://www.venicegov.com)