Discussion of Alarm Response Fee Revenue Allocations

City Commission Conference Meeting February 21, 2023



Agenda

- Basis of Authorization
- Alarm Fee History
- Alarm Fees Process
- Financial History and Considerations
- Commission Discussion





Basis of Authorization

- The ability of local governments to raise revenue, for governmental operations, is limited by the state constitution
- With the exception of the ad valorem tax and constitutionally and statutorily authorized home rule revenue sources (i.e. fees and assessments), local governments are dependent on the Florida Legislature for authority to levy other forms of taxation
- Regulatory fees may be imposed by a local government under Home Rule authority, but the fee should not exceed the regulated activity's cost and is generally required to be applied solely to the regulated activity's cost for which the fee is imposed

Source: The Florida Legislature's Office of Economic and Demographic Research, "2022 Local Government Financial Information Handbook"

Best Practice for the Creation of New Funds

3rd Principle of Governmental Accounting and Financial Reporting

"Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established, however, because unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration."

Source: GASB 2019-2020 Codification of Governmental Accounting and Financial Reporting, "Summary Statement of Principles."



Alarm Fee History

- Alarm service fees have been a part of the City's code of ordinances since at least the 1980s
- In 2010, the City updated the fee structure to more closely align with service costs – though fees remained a partial reimbursement for the costs the City incurs in responding
- Fee is not considered punitive ('Fee vs. Fine'), which would require an appeals process though in cases of actual incidents, the fee is waived





Public Safety Alarm Response Process

- If a residential or nonresidential alarm is triggered, a digital signal is sent to the associated alarm monitoring service who then contacts the 911 call center:
 - Public Safety (Police or Fire) is dispatched to the site and identifies the cause for the alarm
 - If the alarm is caused by an identifiable response type, the responding unit replies to dispatch and the incident is upgraded to a new response type (no fee is issued)
 - If a residential or non-residential user receives a second alarm that is not upgraded to a specific response type within a twelvementh period, an alarm fee is issued

Public Safety Alarm Service Fee Structure

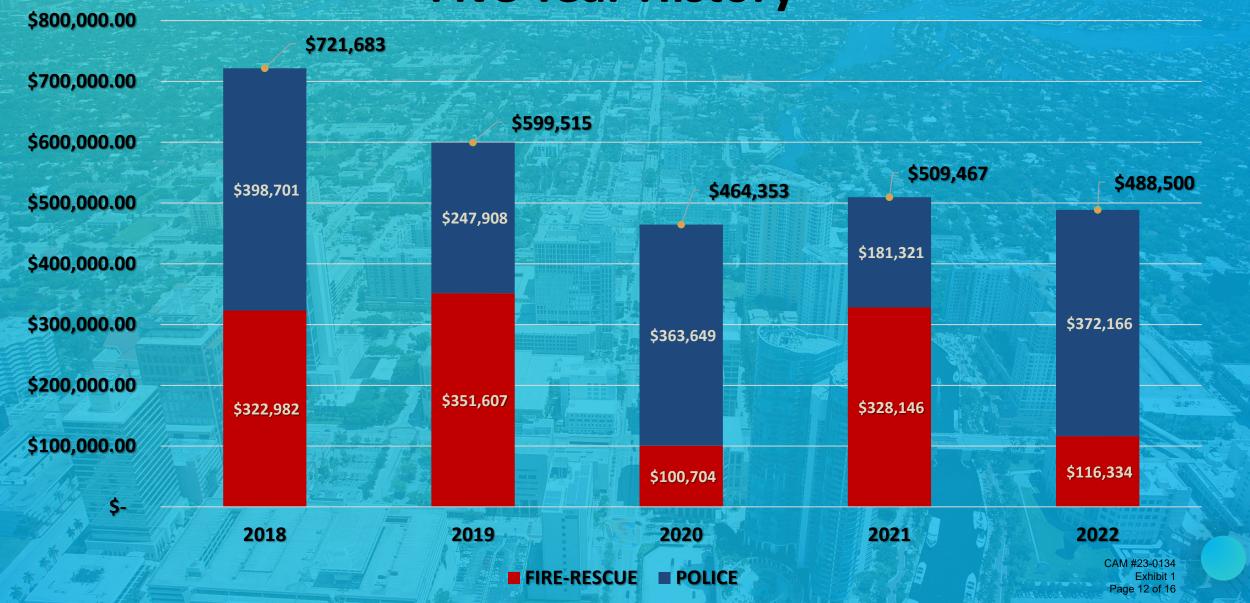
Note: Per City ordinance Sec. 4-9, rate structure resets after a twelve (12) month period.

Police Department - Alarm Response Fee Charged												
Building Type	1st		2nd		3rd		4th		5th		6+	
	Response		Response		Response		Response		Response		Responses	
Residential	\$	-	\$	75	\$	100	\$	200	\$	200	\$	120
Non-Residential	\$	-	\$	125	\$	175	\$	225	\$	425	\$	190

Fire Rescue Fee Charged									
Puilding Type	1st		2+						
Building Type	Res	ponse	Responses						
Residential	\$	-	\$	225					
Non-Residential	\$	-	\$	413					



Alarm Response Fee Collections Five Year History



Alarm Response Fees Changing Trends

- New technologies have provided residents and businesses with greater control over their alarms
- New alarms provide live camera feeds and dashboards
- Residents can review alarms on their phones and filter false alarms before alerting public safety

