

“Defining the Costs of Public Services through Design”

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City of Beaufort, SC

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Draft

Defining "Metro" by Defining "Service Standards."

The Opportunities exist in the details. In order to have this discussion when we break-down the functions into products.
e.g. Drill Down Exercise on Fire/EMS

City Services Delivered by Functions: Same (overlap) County Services Delivered by function

1. Assess/Levy Property Tax	1. Eco Dev	1. Landfill
2. Police	2. Law Enforcement	2. Law Enforcement
3. Fire/Rescue [EMS]	3. Courts	3. EMS [Fire/Rescue]
4. Courts	4. Parks	4. Jails
5. Parks	5. R-O-W Traffic	5. Schools (School District)
6. R-O-W Maint		6. Parks
7. R-O-W Traffic	6. Stormwater	7. Recreation
8. Street Lights	7. Codes	8. Stormwater
9. Sanitation	8. Roads	9. Development Services
10. Stormwater	9. Central Garage	10. Emergency Mgt/911
11. Development Services	10. Building Maint	11. Roads
12. Codes (nuisances)		12. Courts
13. Housing		13. Codes
14. Utilities	Same, but, Different	14. Animal Control
15. Eco Dev.		15. Airports
	1. EMS/Fire	16. Utilities
	2. Assess/Tax Levy	17. Assess/Tax Prop
	3. Utilities	18. Central Garage
	4. Development Services	19. Building Maint
		20. Libraries
Some degree of inter-governmental cooperation		21. Eco Dev
Unique to City and or County Level of Government		22. Social Services

Thought: Credit Crunch (loss of asset wealth and values) + Demographics (Baby boomers) + bad land use law/public service model = Tsunami

	Rural		Urban				
	1 unit /50acre		26 units/1acres				
		Public Service Cost					
NOW	1 unit/3 acres	\$ ▲	4-6 units/acre				
	Land-use/Capitalization w/o a frank discussion about service standards (costs)						
	Answer to date: 2 units/acre						
	dependent on growth		dependent on growth				
	of property tax base		on economically sensitive				
	for growths sake		taxes				

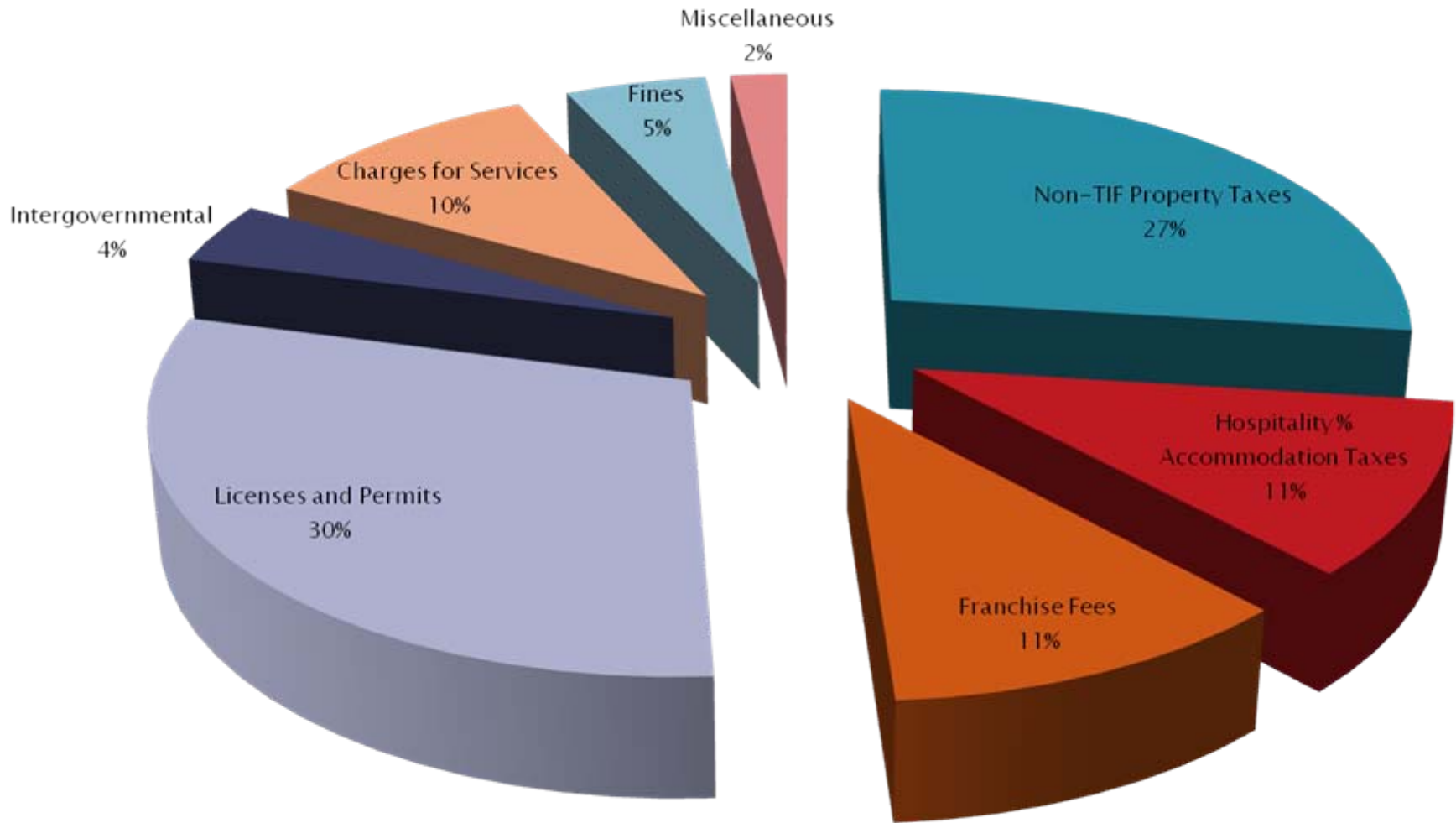
CITY OF BEAUFORT
2008 Financial Statement Analysis

Beaufort County Cities

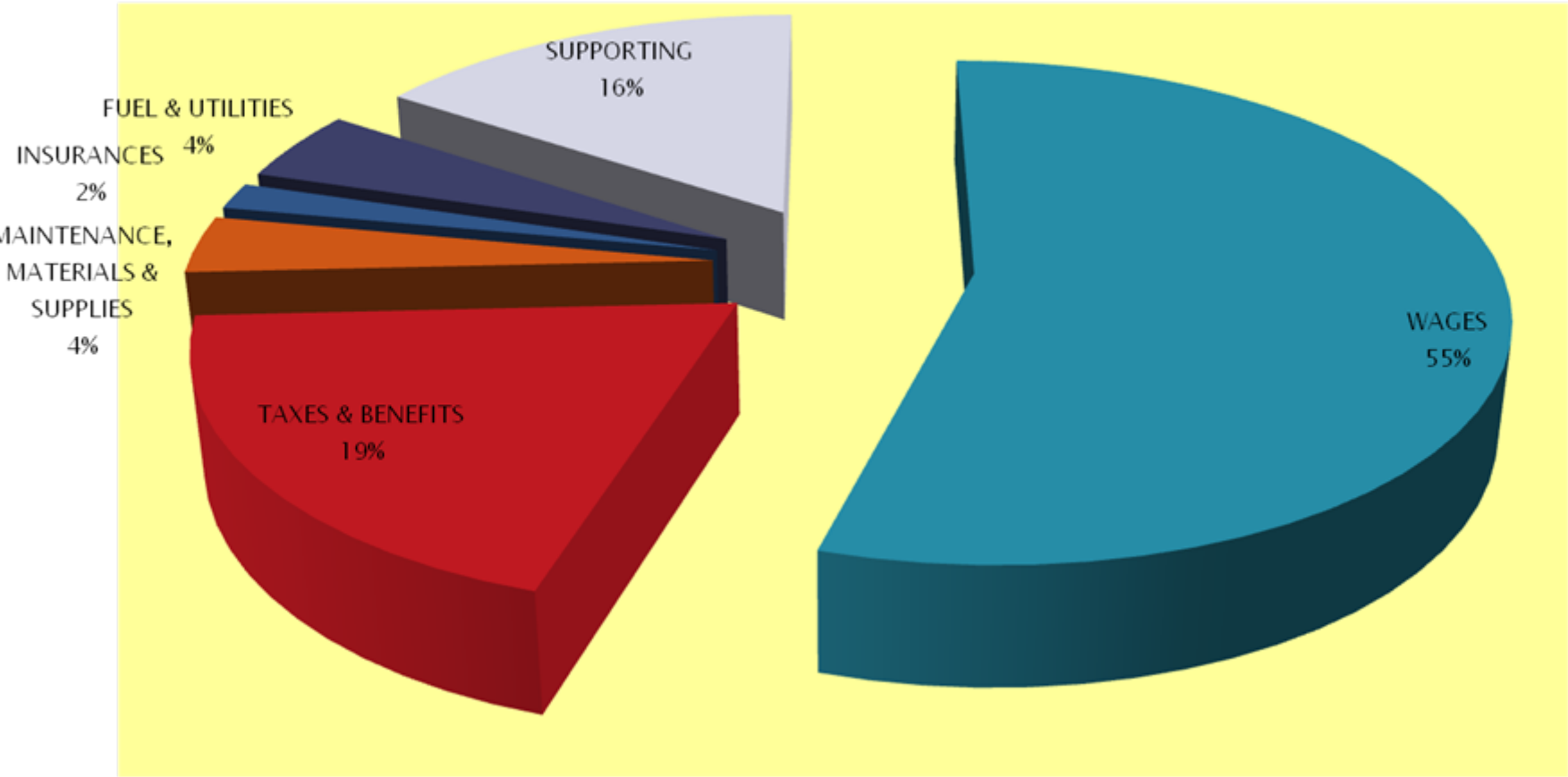
	Port Royal, Beaufort, Bluffton, Hilton Head Island (COMBINED)								City of Beaufort (ONLY)			
	Fiscal Year								Fiscal Year			
	2001	2002	2003	2004	2005	2006	2007	7 YR Percentages	2008	2008 Percentages		
Revenue from Local Sources												
Current Property Taxes												
Current Real & Personal Property Tax	\$ 9,318,816	\$ 12,735,699	\$ 13,498,938	\$ 15,073,349	\$ 18,675,029	\$ 14,982,800	\$ 16,150,228	31%	27%	\$ 4,635,169	31%	27%
Fee in Lieu of Property Taxes	\$ 62,135	\$ 6,819		\$ 10,246	\$ 3,864	\$ 10,478	\$ 10,550	0%	0%	\$ 25,657	0%	0%
All Other	\$ 496,565	\$ 379,786	\$ 197,949	\$ 232,294	\$ 311,016	\$ 344,367	\$ 260,354	1%	1%	\$ 1,591,321	11%	9%
Local Hospitality Tax	\$ 2,032,542	\$ 3,154,528	\$ 3,688,310	\$ 3,617,424	\$ 4,468,318	\$ 6,734,183	\$ 7,492,366	10%	8%	\$ 1,188,349	8%	7%
Local Accommodation Tax	\$ 2,090,686	\$ 2,142,875	\$ 2,115,557	\$ 2,268,696	\$ 2,414,812	\$ 2,781,883	\$ 2,869,515	5%	5%	\$ 393,924	3%	2%
Licenses, fees, Charges, Bonds, etc												
Licenses & Permits	\$ 11,525,443	\$ 12,574,436	\$ 14,139,651	\$ 15,613,780	\$ 17,734,169	\$ 18,406,221	\$ 20,342,744	34%	30%	\$ 4,221,588	28%	24%
Service Revenue & Charges	\$ 5,242,559	\$ 4,495,094	\$ 4,439,267	\$ 4,783,587	\$ 5,520,390	\$ 7,429,862	\$ 8,963,137	13%	11%	\$ 2,225,467	15%	13%
Miscellaneous	\$ 1,090,315	\$ 894,879	\$ 921,392	\$ 1,422,893	\$ 2,519,784	\$ 7,079,146	\$ 4,307,679	6%	5%	\$ 553,826	4%	3%
Total Revenue from Local Sources	\$ 31,859,061	\$ 36,384,116	\$ 39,001,064	\$ 43,022,269	\$ 51,647,382	\$ 57,768,940	\$ 60,396,573	100%	86%	\$ 14,835,301	100%	85%
					Per Resident Revenue	\$ 1,004.38				\$ 1,233.29		
Revenue from State Sources												
State-Shared Taxes	\$ 1,958,510	\$ 5,345,163	\$ 4,996,176	\$ 4,951,604	\$ 5,422,089	\$ 5,770,156	\$ 5,559,258	88%	9%	\$ 422,846	48%	2%
Homestead Exemption	\$ 217,905	\$ 260,275	\$ 295,628	\$ 309,395	\$ 255,281	\$ 226,137	\$ 269,999	5%	0%	\$ 126,258	14%	1%
State Grants	\$ 824,593	\$ 298,572	\$ 221,254	\$ 175,876	\$ 103,962	\$ 62,464	\$ 985,622	7%	1%	\$ 337,275	38%	2%
					Per Resident Revenue	\$ 113.33	100%	10%		\$ 73.69	100%	5%
Revenue from Federal Sources												
	\$ 438,952	\$ 979,494	\$ 149,018	\$ 205,681	\$ 221,597	\$ 897,280	\$ 1,505,388	1%	1%	\$ 998,354	6%	6%
					Per Resident Revenue	\$ 25.03				\$ 83.00		
Revenues from Other Local Sources												
	\$ 304,294	\$ 701,727	\$ 983,053	\$ 872,540	\$ 1,078,038	\$ 1,278,248	\$ 2,542,548	2%	2%	\$ 741,467	4%	4%
					Per Resident Revenue	\$ 42.28				\$ 61.64		
Total Revenue	\$ 35,603,315	\$ 43,969,347	\$ 45,646,193	\$ 49,537,365	\$ 58,728,349	\$ 66,003,225	\$ 71,260,531	100%	100%	\$ 17,461,501	100%	100%
Expenditures												
General Government	\$ 10,264,554	\$ 11,553,238	\$ 14,275,905	\$ 14,923,429	\$ 14,987,374	\$ 17,812,611	\$ 19,089,210	31%		\$ 3,460,543	16%	
Public Safety	\$ 11,696,074	\$ 14,022,482	\$ 19,459,506	\$ 20,017,356	\$ 22,826,910	\$ 25,039,339	\$ 28,075,148	42%		\$ 7,342,514	33%	
Transportation	\$ 2,174,692	\$ 2,050,665	\$ 2,245,076	\$ 2,471,622	\$ 2,833,418	\$ 572,911	\$ 624,133	4%			0%	
Public Works	\$ 1,556,650	\$ 1,689,366	\$ 2,152,541	\$ 2,434,823	\$ 2,755,239	\$ 4,090,193	\$ 5,891,500	6%		\$ 3,108,721	14%	
Recreation and Cultural	\$ 3,050,031	\$ 1,872,791	\$ 1,695,269	\$ 1,291,505	\$ 2,376,734	\$ 671,004	\$ 1,041,343	4%		\$ 101,360	0%	
Debt Service/Interest on Debt	\$ 233,902	\$ 295,394	\$ 408,423	\$ 391,683	\$ 192,857	\$ 2,696,295	\$ 2,388,638	2%		\$ 1,869,641	8%	
Purchase of land & Facility Construction	\$ -	\$ 2,256,839	\$ 2,679,962	\$ 2,014,476	\$ 1,810,949	\$ 7,688,532	\$ 20,960,689	11%		\$ 5,323,092	24%	
All other (Beaufort--Recycling)	\$ -	\$ -	\$ -	\$ -	\$ 16,844	\$ 923,574	\$ 1,802,411	1%		\$ 1,034,216	5%	
TOTAL EXPENDITURES	\$ 28,975,903	\$ 33,740,775	\$ 42,916,682	\$ 43,544,894	\$ 47,800,325	\$ 59,494,459	\$ 79,873,072	100%		\$ 22,240,087	100%	
					Per Resident Expenditure	\$ 1,328.27				\$ 1,848.87		
SURPLUS/DEFICIT	\$ 6,627,412	\$ 10,228,572	\$ 2,729,511	\$ 5,992,471	\$ 10,928,024	\$ 6,508,766	\$ (8,612,541)			\$ (4,778,586)		
PERCENTAGE	19%	23%	6%	12%	19%	10%	-12%			-21%		

- 1 General Government
 - City Council (to include committees)
 - Admin and Finance (CM, Finance, Planning, Bus Lisc)
 - Support Services (HR, IT)
 - Court and Legal
- 2 Public Services
 - Development Services
 - Administration
 - Streets/Open Space/Traffic Control
 - Solid Waste
 - Cemeteries
 - Street Lighting
 - Stormwater
 - Central Garage
 - Building Maintenance
- 3 Public Safety
 - Police
 - Fire
 - Codes
- 4 Recreation and Cultural
 - Parks and Trees
 - Marina
 - Non-Dept
- 5 Debt Service/Interest on Debt
 - Rolling Stock for Core Services
- 6 Purchase of Land and Facility
 - Municipal Complex
 - Fire Station
 - Southside Park
 - Open Space Land Acquisition
- 7 All Other

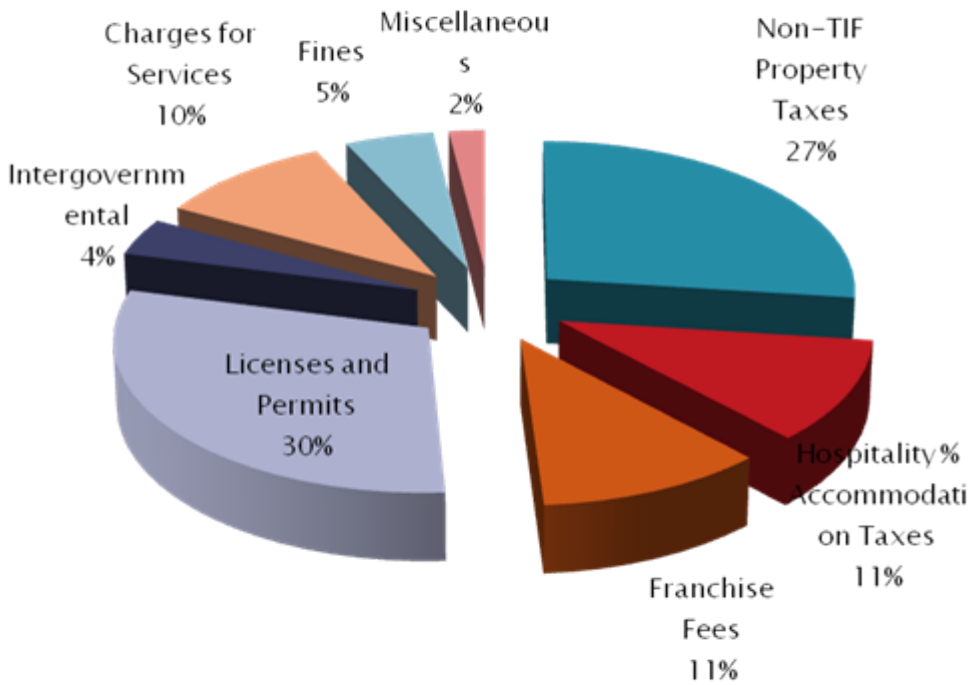
FY 2008 GENERAL & PARK FUNDS REVENUE MIX



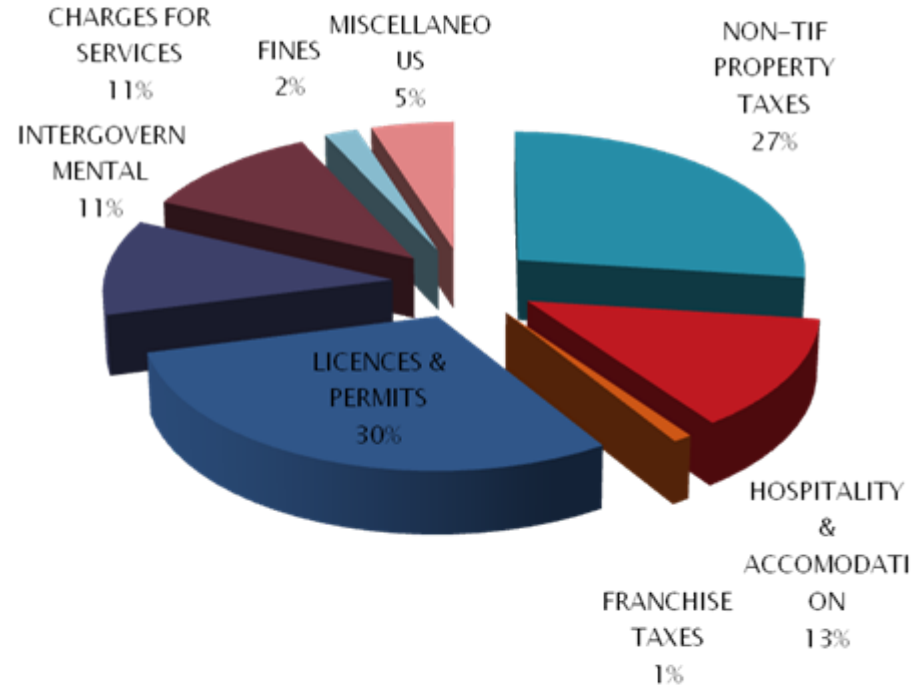
FY 2008 GENERAL & PARK FUNDS EXPENDITURE MIX



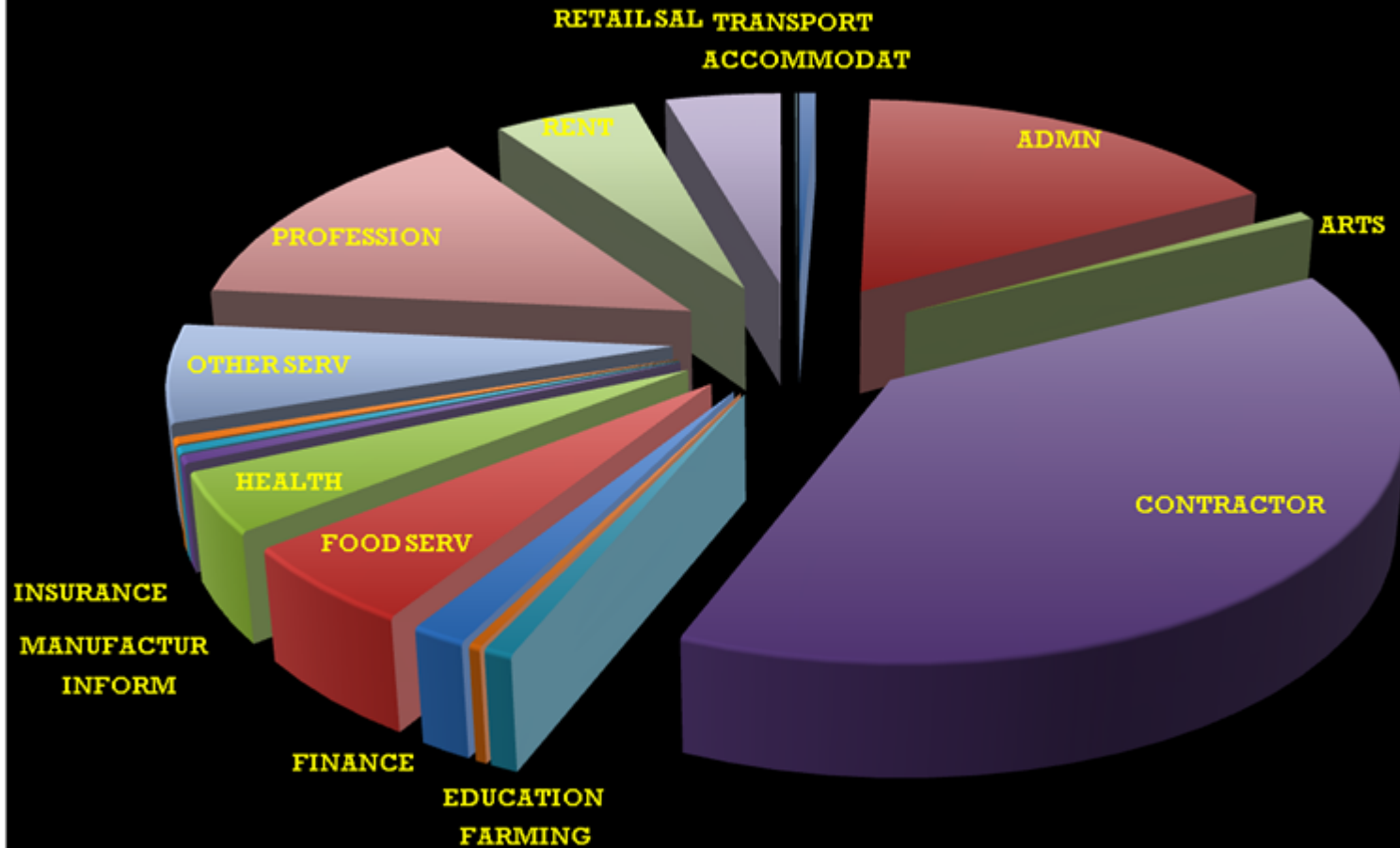
FY 2008 GENERAL & PARK FUNDS REVENUE MIX



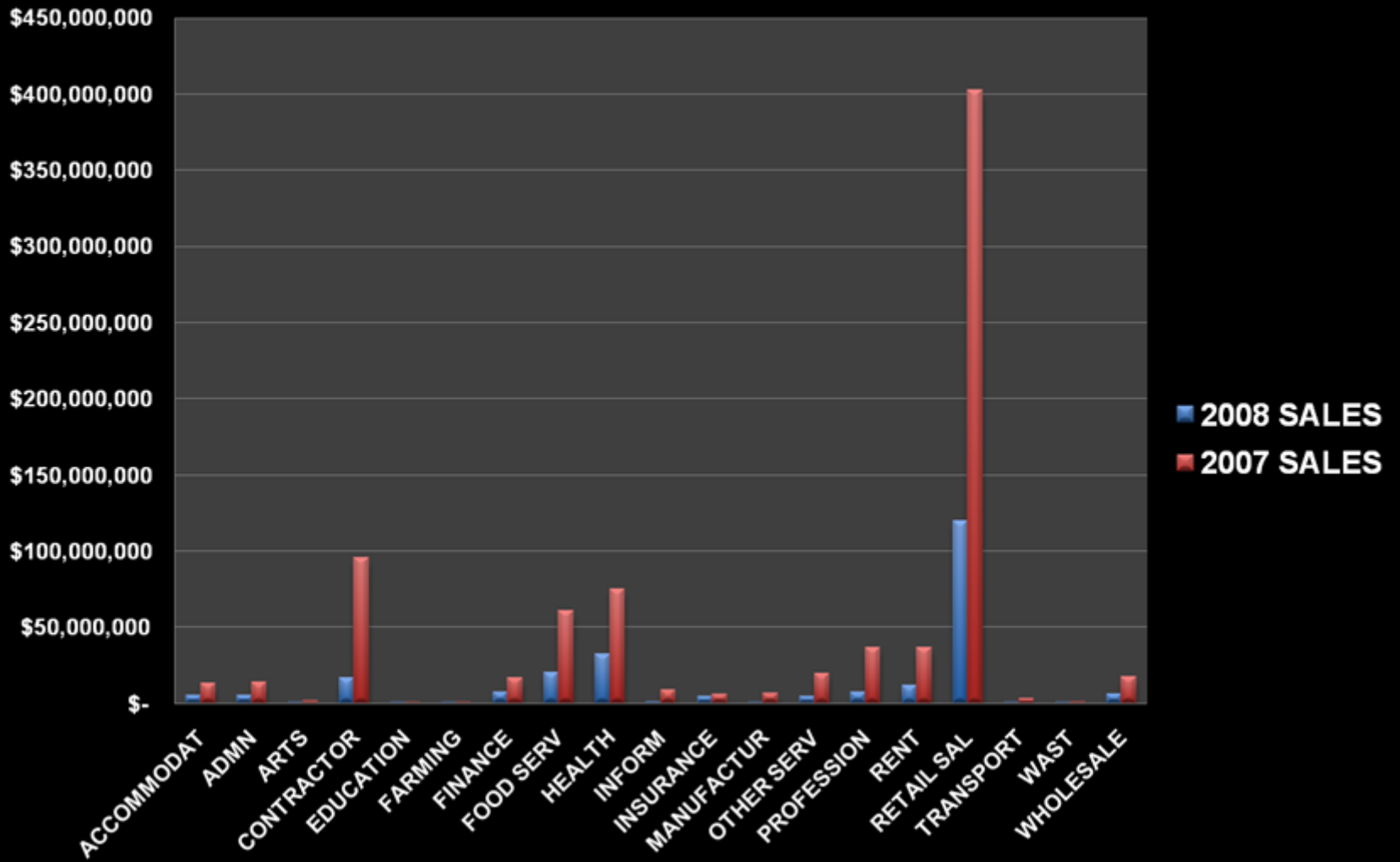
Beaufort, Port Royal, Bluffton & Hilton Head Combined Revenue Mix



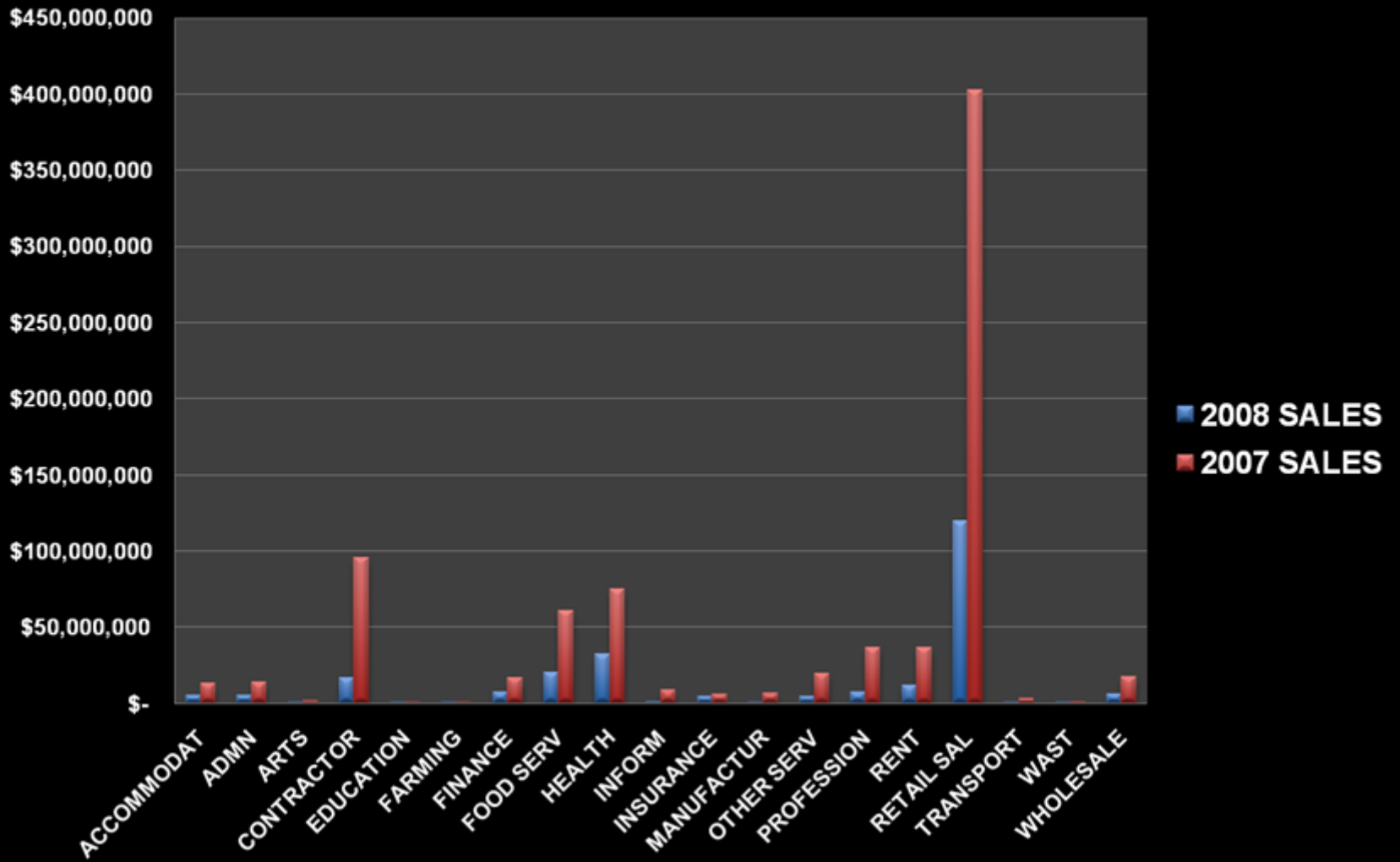
2008 BUSINESS LICENSE REVENUES-BUSINESS TYPE



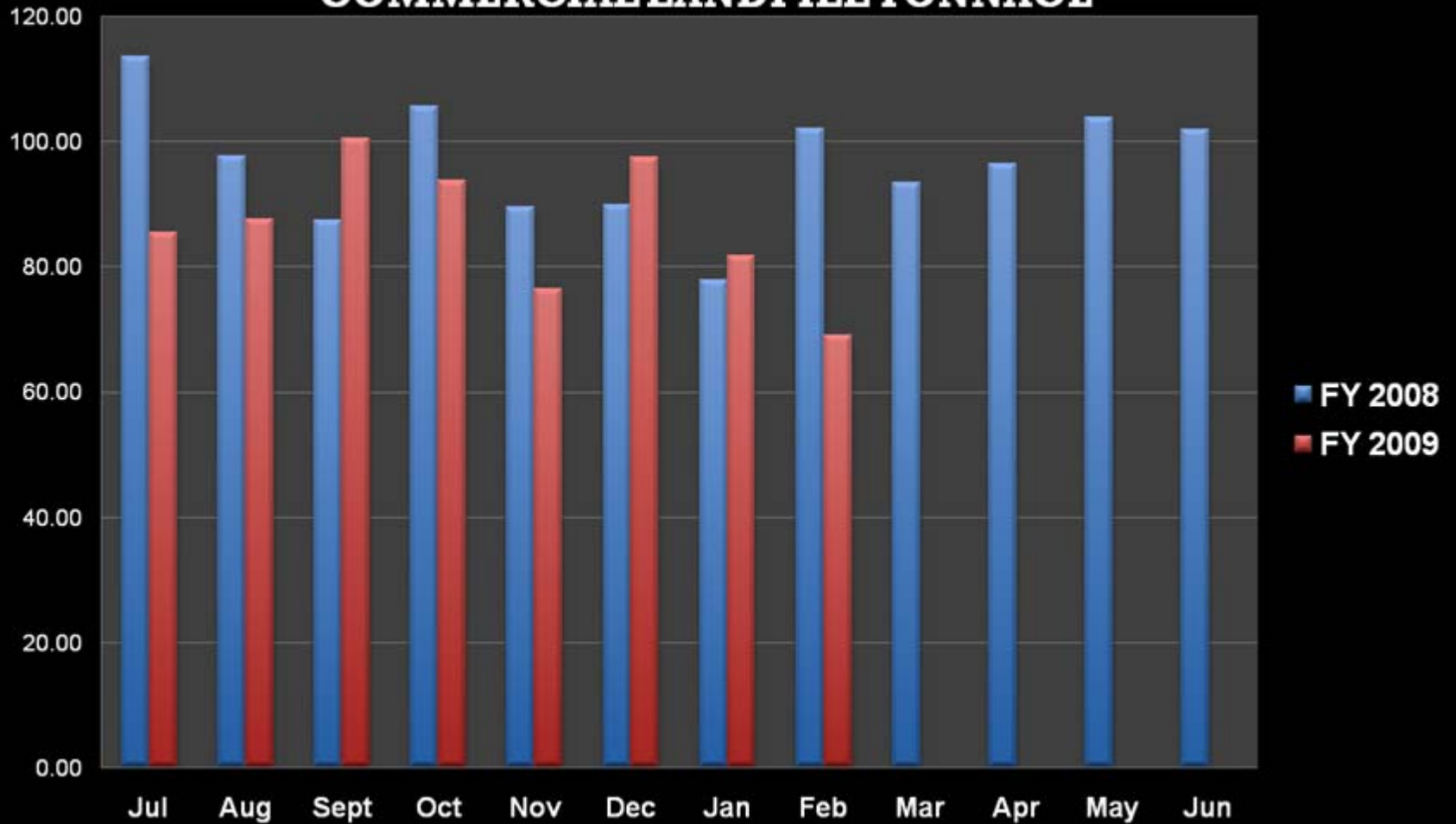
REPORTED 2008 BUSINESS REVENUE AS OF MARCH 31ST VS TOTAL REPORTED 2007 BUSINESS REVENUE



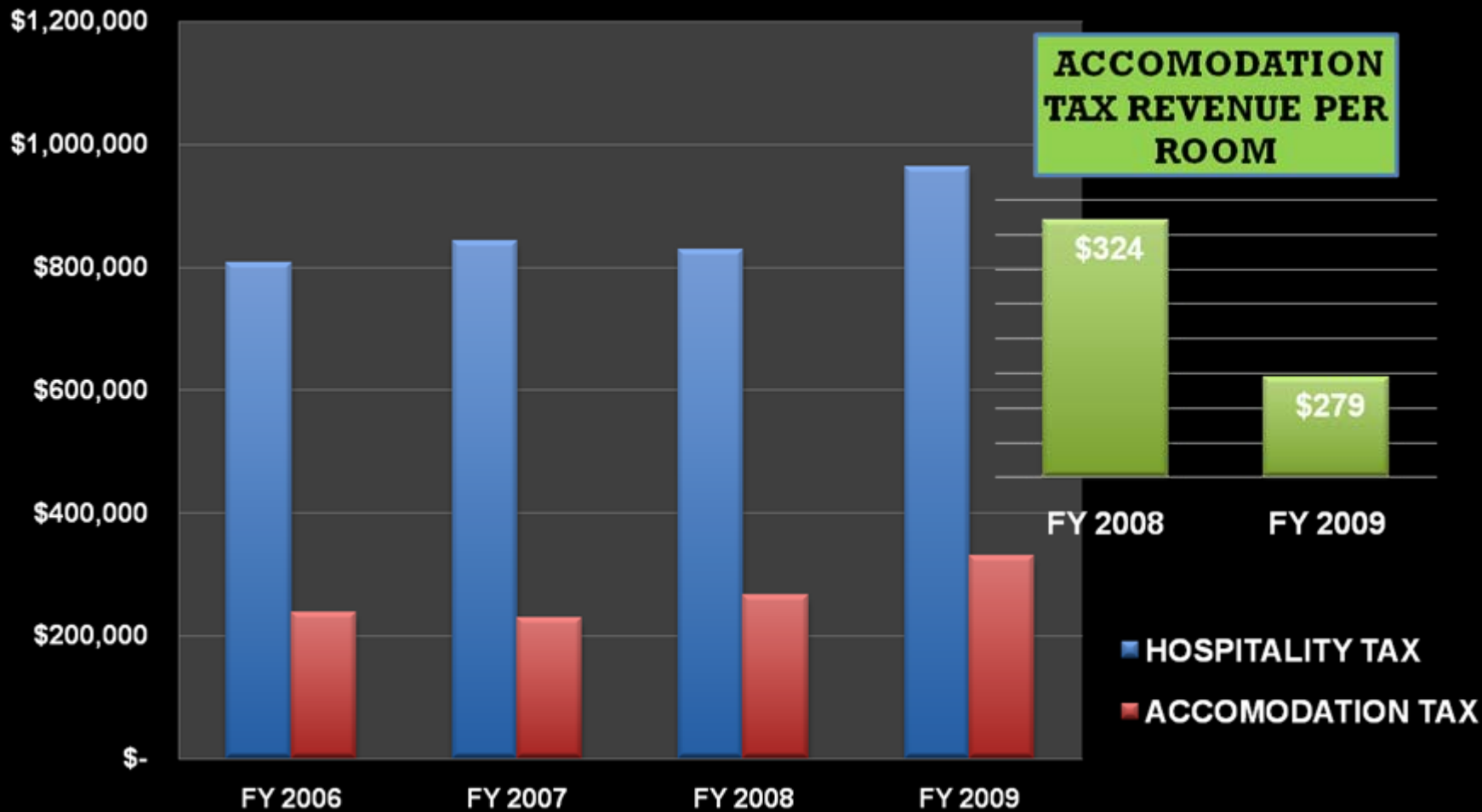
REPORTED 2008 BUSINESS REVENUE AS OF MARCH 31ST VS TOTAL REPORTED 2007 BUSINESS REVENUE



COMMERCIAL LANDFILL TONNAGE



HOSPITALITY AND ACCOMODATION TAX



Investment Services

1 General Government

- Redevelopment Commission
- Beaufort Housing Authority
- Low Country Economic Development
- Main Street Beaufort
- Chamber of Commerce

2 Public Services

- Boundary Street Road Project
- Third Crossing
- Bladen Street Plan

3 Public Safety

4 Recreation and Cultural

5 Debt Service/Interest on Debt

6 Purchase of Land and Facility

7 All Other

TIFF I

TIFF II

A Service Delivery Costing Exercise:

1. Using the Outline, not the detail of Appendix A groupings, list those services relevant to your organizations.
2. Then try thinking through the value added to your organization of these services, how you would rank them, how you might consider other ways of providing the same service, how you might find ways of improving this level of services, and if you need to deliver the service at all.
3. When considering the cost of services, I believe it necessary to consider the following:
 - a. The Variables. Those issues such as level of service, delivery method, prioritization of services, need v. want of services, and the resources available for such, the likes of capital, labor, and land.
 - b. Management of the Services. This includes tangible and intangible things such as costs (tangible) and the cost of not doing (intangible). Also, issues such as overlap, integration, work systems, liabilities, results, and the customers and investors perspectives in the management of these services. The numerator in the equation
 - c. Policy Direction or more specific, the Politics. Where do the elected officials wish to take the organization? The answers to this are as varied, many, and eclectic as your mind is now thinking.
 - d. The Denominator in the equation is the number of units served. The number of units that your fixed costs are spread over. This also includes the type of units served, their location, and most importantly, the structural design of the community that the unit is located in.
4. This leads to the last and most important tie-in, the “definition of” and the design of “...a coherent and supportive physical framework” (CNU, Charter) regarding land uses and services in the growth boundaries of the Northern Area Plan.

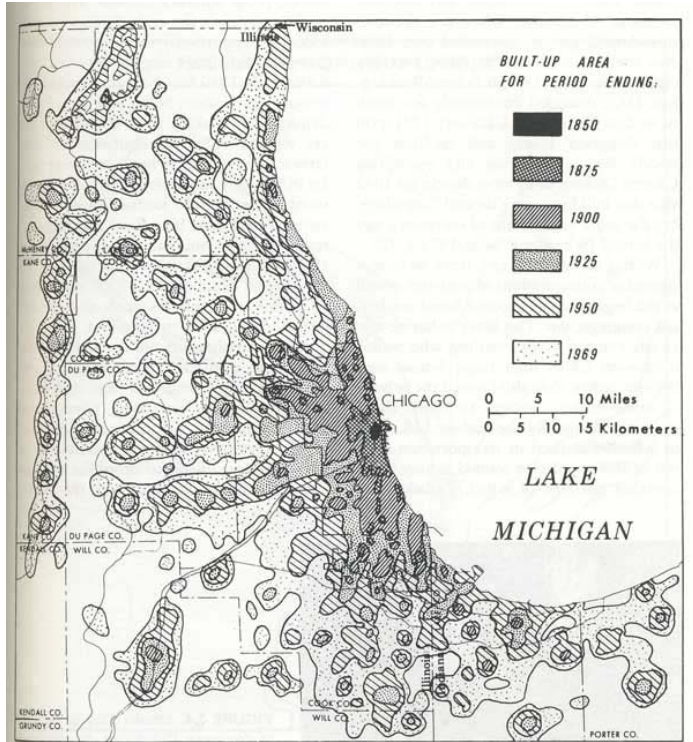
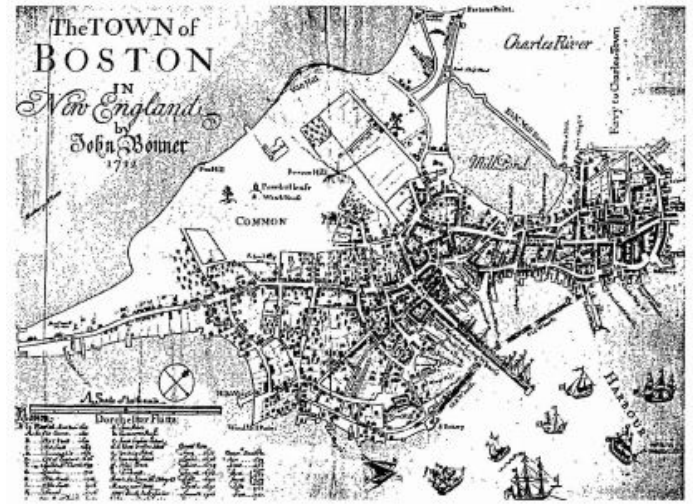
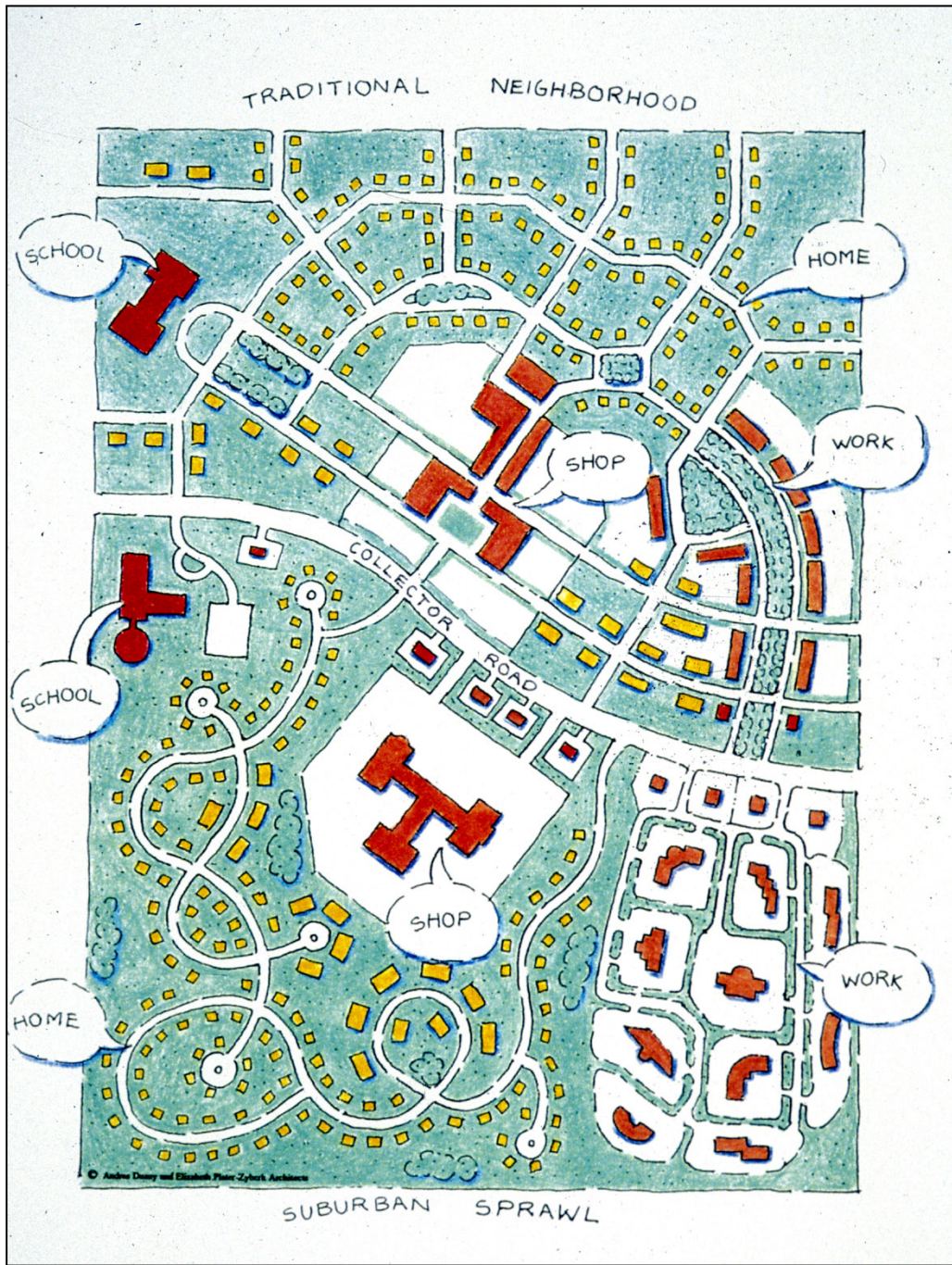


FIGURE 3.3. The suburban expansion of metropolitan Chicago from the mid-19th century through 1970. Source: Berry et al. (1976, p. 9). Copyright 1976 by B. J. L. Berry. Reprinted by permission.



Image USDA Farm Service Agency

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32°25'37.24" N 80°42'05.87" W

elev 2 ft

Jun 15, 2005

Eye alt 12.29 mi