



Lafayette

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Lafayette Consolidated Government (LCG) Future Needs/Funding Sources Committee

- The Committee was established by Councilman Kevin Naquin, 2014 Lafayette City-Parish Council Chairman.
- The Committee was charged with assessing the needs of various LCG departments, and services such as the Fire, Parks & Recreation, Police, and Public Works Departments, to name a few.
- The purpose of the Committee was to examine and assess parish-wide governmental services, as well as to evaluate funding sources necessary to support the operation of these departments and services.



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Lafayette Consolidated Government (LCG) Future Needs/Funding Sources Committee

Chad Hanks, Chairman

Local Sugarcane Farmer

Jerry Prejean, Vice-Chairman

Vice President, IBERIABANK

Jason El Koubi

*President & CEO, One
Acadiana*

Scott Hayes

*The 705—Young Leaders
for a Better Acadiana*

Sarah Walker

*Former Chair,
Assessment Committee on
School Needs*



Lafayette Consolidated Government (LCG) Future Needs/Funding Sources Committee

Advisory Council Members

Kevin Naquin, Chair of the Council
Lafayette City-Parish Council

Jay Castille, Finance Chair
Lafayette City-Parish Council

Don Bertrand, LPUA Chair
Lafayette City-Parish Council



Lafayette Consolidated Government (LCG) Future Needs/Funding Sources Committee

- Over the course of 23 meetings spanning 20 months, the Committee interviewed and received presentations from the LCG administration (City-Parish President and Chief Administrative Officer), its directors (Public Works, Police, Fire, Finance and Management, Parks and Recreation, Planning, Zoning and Development, and Chief Development Officer), and Council members, along with other Lafayette Parish officials/agencies including the Assessor, the District Attorney, the Clerk of Court, the Lafayette Parish Correctional Center, and Lafayette Economic Development Authority (LEDA).
- The Committee did not discuss or address matters related to the governmental structure, the Home Rule Charter, and Consolidation versus Deconsolidation.
- All meeting agendas were posted in accordance with Public Meeting Laws, allowing members of the public an opportunity to attend and provide input.



Overview

- Overall, the data and other information we have reviewed indicate that LCG is delivering public services that are necessary and typical for a community of our size, despite fewer financial resources than the vast majority of benchmark communities.
- By most accounts, we have heard that this fiscal context has encouraged increased efficiency in government service delivery and has left several important current and future needs without sufficient resources.
- In many cases, LCG has used subsidies from general funds and disproportionate resource allocation between City and Parish in order to address needs that are not fully supported by dedicated sources of revenue.



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Overview

- In this context, there are several important current and future needs that require focused attention of LCG leadership in order to maintain important public services, adequate infrastructure, and high quality of life.
- Future needs that should be specifically considered for fiscal reform include:
 - ***Drainage***
 - ***Parks and Recreation***
 - ***Roads and Bridges***
 - ***Police and Fire Protection***
 - ***Parish Courthouse and Jail***



Drainage



Background

- There is a Parish-wide millage of 3.34 mills dedicated to drainage operation and maintenance that generates about \$6.3 million per year for both the City of Lafayette and unincorporated areas of the Parish.
- No other dedicated or general funds are used to support drainage O&M in these areas.
- However, there are significant unmet drainage needs that impact much of our community, both in rural and urbanized areas of our community.
- As a result of these unmet needs, we have seen significant property loss with untimely weather events.



Drainage

Recommendations

- Establish 3-5 special drainage districts in accordance with Army Corps of Engineers structure with authority to levy millages dedicated to drainage projects within each district, subject to popular vote of residents in each district (in addition to current millages).
- Ensure drainage investments are aligned with PlanLafayette (e.g., design for better absorption).



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Parks and Recreation

Background

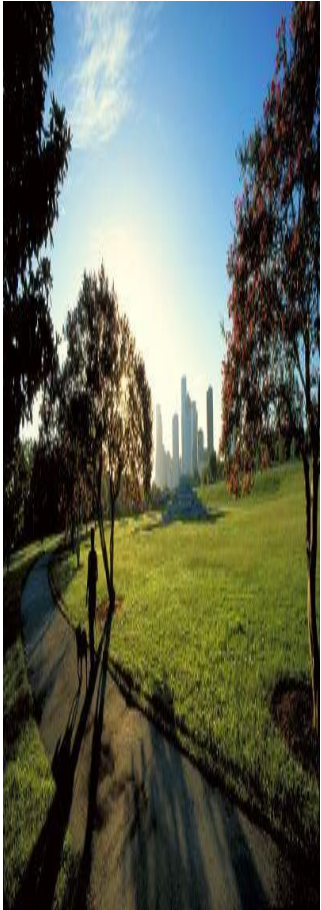
- Our community has a long-standing Lafayette City property tax of 1.92 mills, which historically supported 10 parks and three recreation centers within the Lafayette City boundaries.
- As a result of facilities enhancements over time and City-Parish consolidation, Parks and Recreation currently operates 35 parks (3.5x original level) and 12 recreation centers (4x original level).
- Seven of these facilities are former Parish-owned assets located in municipalities that have opted out of consolidated government (and that do not financially support the facilities within their boundaries).
- This significantly expanded scope of activity was not supported with an increase in the dedicated millage or any other dedicated revenue streams.
 - The dedicated millage now generates approximately \$2.6 million per year, while today's total Parks and Recreation budget is approximately \$7 million per year.
 - Furthermore, this total budget of \$7 million per year is still insufficient to meet our current operations and maintenance needs, and falls far short of peer communities in the area.



Parks and Recreation

Background

- As a result of this situation, our community's dedicated revenue source for Parks and Recreation is inadequate for today's needs and wholly insufficient for a system that compares to great communities.
- To provide financial support, LCG has increasingly subsidized Parks and Recreation activities from both City and Parish general funds.
- **If left unaddressed, our community will see increased deterioration of LCG's Parks and Recreation system and/or reduced financial support for critical public services supported by the general fund.**



Parks and Recreation

Recommendations

- Propose increasing the dedicated millage and expanding its scope to the entire parish in an equitable way to support the desired service level for Parks and Recreation services.
- If the previous recommendation is not successful, then provide a mechanism for transferring the seven facilities located in non-LCG municipalities to their respective municipalities. If this cannot be accomplished, then LCG should liquidate these assets.



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Roads and Bridges

Background

- Currently, we have a moderate level of financial resources for the construction of transportation infrastructure in the City, requiring efficient allocation of resources, but generally providing enough capacity to fund high-priority projects.
- However, the 1.29 mills for City maintenance is insufficient to properly operate and maintain our transportation infrastructure investments in the City.
- Furthermore, in the unincorporated areas of the Parish, there is a severe gap in funding for operations, maintenance, and construction of transportation infrastructure. The Parish-wide road and bridge millage generates only \$7.9 million per year, with a portion spent within the City of Lafayette.

ROADS AND BRIDGES



Roads and Bridges

Background

- With the cost of operations and maintenance growing, the available capital funding for construction in the unincorporated areas is expected to vanish entirely in the very near future. **If left unaddressed, this situation means that we will see increasing congestion accompanied by the long-term deterioration of transportation infrastructure within the City.**
- Even more alarmingly, we will see no capital improvements in the unincorporated areas, with even more rapid deterioration due to less durable infrastructure assets (i.e. narrow asphalt roads with open drainage).

ROADS AND BRIDGES



Roads and Bridges

Recommendations

- Evaluate currently available City bond funds and re-allocate that capacity to high-priority, shovel-ready projects in accordance with the goals of the Lafayette Comprehensive Plan (also enables the City to unlock new bonding capacity that can be used for future projects).
- Propose a temporary, Parish-wide sales tax dedicated to a specific slate of high-priority infrastructure projects that are identified in advance for voters to consider (packaged to provide optimal impact for municipalities and unincorporated areas). Approximately 40% of the revenue from such a sales tax would be generated from consumers who live outside of Lafayette Parish. This would lessen the burden on our community for maintenance and improvements to infrastructure.
- **It is noteworthy that in order to continue the expansion of commerce, we must provide for transportation infrastructure into the City and Parish.**



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Police and Fire Protection



Background

- Police and Fire services for the City of Lafayette are funded by the City general fund (\$54.5 million per year), dedicated millages (\$11 million per year), and Redflex (\$1 million per year).
- The total City general fund contribution towards Police and Fire is approximately \$54.5 million annually (56% of the City's total general fund budget in FY 14/15).
- The cost of maintaining Police and Fire services is increasing due to personnel raises/longevity in employment tenure, need for additional personnel, competitiveness in pay, growing mandates by the State, pension expenses, and facilities (to maintain a satisfactory fire rating, for example).
- **Because of the concern for the fire ratings in the City and the Parish, as well as the identification of inefficiencies within the total Fire Protection structure, the Committee examined Fire Protection separately with specific recommendations.**



Police and Fire Protection

Recommendations

- In general, our recommendations in other areas will generally reduce pressure on the General funds (thereby freeing up dollars for Police and Fire Protection).
- In addition, LCG should consider new, dedicated revenue streams for Fire Protection in unincorporated areas due to reduced participation in volunteer fire departments (potentially via fire districts).
- Fire Protection should ultimately become funded through a singular revenue stream. Another consideration would be the development of a consolidated, Parish-wide effort for Fire Protection, challenging the Council to continue working with the municipalities and rural volunteer fire departments to create efficiencies both operationally and financially.
- ***The failure to formulate solutions for Fire protection will result in increased insurance premiums for taxpayers/property owners.***



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Parish Courthouse and Jail

Background

- Parish Courthouse and Adult Corrections (“Parish Jail”) activities are funded through two parish-wide millages (~\$8 million per year) and fines/fees (~\$600K per year)
- Fines and fees generate roughly the same dollar amount in nominal terms as they did 15 years ago.
- In general, the needs of the Courthouse and Jail have outpaced available revenues.
- As a result of this situation, the Parish general fund provides a subsidy to the Criminal Court Fund (CCF) of approximately \$2.8 million per year. Over the last 15 years, \$24 million in Parish general funds went to the CCF, even though the Parish general fund is already very strained.
- In addition, our Courthouse facilities are functionally obsolete, creating operational inefficiencies and posing security risks that are not acceptable.



Parish Courthouse and Jail

Recommendations

- Pursue opportunities to increase fines and/or improve collections enforcement in line with recommendations in the Legislative Auditor's report of April 2014, including greater transparency in the collections process. In addition, consider several promising opportunities to improve operations that have been identified by the Criminal Justice Coordinating Committee.
- After increasing fines and/or improving collections enforcement, consider adjustments in the Parish millages.
- In parallel, consider a special temporary tax to fund any new facilities that may be required.
- Consider minimizing the CCF in order to put pressure on District Court to be more efficient, encouraging all involved entities to create efficiencies in their operation, and increasing the cost-effectiveness of moving offenders through the criminal justice system.



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Parish Courthouse and Jail

Recommendations

- There should be a separation of the revenue-based millage with each facet of the Parish Courthouse and Jail having its own revenue source.
- Though the Lafayette Parish Correctional Center has been very efficient with limited resources, the funding of mandates that have been placed on correctional facilities should be completely separate from the Courthouse.
- The future development of a new courthouse should be studied; however, this is not as much of a priority as other matters described thus far.



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