

ADJUSTMENT OF FUNDING INEQUITIES BETWEEN THE CITY OF COCHRAN AND BLECKLEY

During the past several years, the issue of double taxation by the City and County for a common service has become an issue within our community. In 1997 the State of Georgia enacted legislation (House Bill 489: The Service Delivery Strategy Law¹) to prevent city residents from being double-taxed by the City and County for the same service. According to the provisions of this Law, when the county and city share funding for a countywide service, the county share of such funding should be borne by the unincorporated resident and property owners who receive the service. The issue is one of fairness to city residents who pay county taxes in addition to their city taxes. After conducting a thorough review of the joint City-County services funded through City and County property taxes, the Mayor and City Council decided to pursue a more equitable distribution of funding based upon the added value of a service to the City and the distribution of the population between the City and County. Cochran currently has 4,804 residents, or 38% of the County's total population of 12,771 (source: Ga. DCA 2015 data). Cochran has only five (5) square miles, but unincorporated Bleckley County has 214 square miles. For many of our joint services, the City currently contributes 50% of the funding with the County providing the remaining 50%. The City has attempted to negotiate with the County^{2,3} during the past year to establish a new funding formula based on a 40% City to 60% County funding formula. This ratio does not eliminate double taxation but brings the funding formula more in-line with the population distribution between the City (incorporated) and County (unincorporated) areas.

The joint services that the City is currently addressing with the County are those services that are covered by our joint Service Delivery Strategy⁴ which include: Fire Services, Emergency Management, Recreation, Library, Airport, and Animal Control. Since the County has declined our offer to negotiate on any of these services, a summary of action the City is pursuing for each of these services is presented below.

Fire Services

The City of Cochran has proposed that Bleckley County help resolve how the fire service is funded County-wide⁵. The City's proposal is based on the fact that Cochran has only 38% of the County's population but finances 79% of the County's fire services. Cochran has 4,804 residents, or 38% of the County's total population of 12,771 (source: Ga. DCA 2015 data). Cochran has only five (5) square miles, but unincorporated Bleckley County has 214 square miles.

The City of Cochran pays \$458,000 (79%) toward fire protection, while Bleckley County contributes \$125,000 (21%), for a total fire service budget of \$583,000. Cochran pays for a headquarters fire station, full-time personnel and associated costs that benefit both City and County residents. Bleckley County spends its \$125,000 budget on the five volunteer stations located in rural County areas.

Cochran's full-time firefighters are first responders for all fires in both the City and County. The County assists with volunteers who fight fires in Cochran and the unincorporated County.

Over sixty (60%) percent of Cochran's fire calls are in unincorporated Bleckley County, and less than 40% are in the City limits. A large majority of the County fire calls are structural fires.

City taxpayers are paying for a station that spends most of its resources fighting County fires. The City pays 79% (\$458,000) of the bill, but gets less than 40% of the service. The City has only 38% of the County's population, but pays 79% of the fire service bill, including personnel, equipment, training, fuel, turn-out gear and other expenses⁶. A portion of the County's \$125,000 (21%) contribution is paid for by City residents, since they are also County taxpayers.

Over the past five (5) months, since September, the City has tried to talk to the County about a more equitable cash contribution schedule for City/County fire protection. The County has met with the City, but there has been no effort by the county to resolve the funding formula for fire services.

The City has proposed that the County contribute an additional \$40,000 per year over three (3) years to help the City pay for the fire budget, which mostly serves unincorporated County residents. The County's budget would increase by a total of \$120,000 over three (3) years, or to \$245,000 per year. The City's fire service contribution would be reduced to \$338,000 over the three-year period. This arrangement will allow City/County fire service to continue, with the City and County working together to protect all citizens.

After three years, the County's budget would increase to \$245,000, or 42% of the projected total fire service budget, and the City's would reduce to \$338,000, or 58% of the total projected budget. In the next three years, over 60% of the City's fire budget is still expected to be spent fighting County fires. Even though this proposal does not reach the 40% City 60% County threshold, it is progress toward achieving this goal.

Since the County has declined negotiate the current funding formula, the City of Cochran will no longer provide regular fire services to unincorporated County residents after June 30, 2016⁷. This will inevitably impact ISO fire insurance ratings and other expenses.

Emergency Management

For Emergency Management Services, the City has been contributing \$30,000 per year to the County's annual EMA budget. The Emergency Management Agency is required to provide equitable service to all County residents. City residents are already contributing funds to the EMA as County taxpayers. On February 1, 2016, the City will reduce its annual City contribution to EMA to \$1,000 per year.

Recreation

The City and County both currently contribute \$61,700/year toward the operation of the Recreation Department. This represents a 50/50 split that would be reduced to a 40% City 60% County contribution over a three year period.

Library

The City and County both currently contribute \$42,650/year toward the operation of the Library. This represents a 50/50 split that would be reduced to a 40% City 60% County contribution over a three year period.

Airport

The current Service Agreement between the City and County states that the County will allocate general funds to assist with the operation of the Airport. To date, the County has not contributed any of its

general funds to support airport operations. The City is requesting that the County contribute \$8,000/year to match the City's contribution thus establishing a 50/50 funding ratio.

Animal Control

For Animal Control, over 60% of the calls and expenses are from the unincorporated parts of the County. The City and County both currently contribute \$29,500/year toward the operation of Animal Control. This represents a 50/50 split that would be reduced to a 40% City 60% County contribution over a three year period.

The City looks forward to working with the County to equitably fund services that benefit the entire Cochran-Bleckley County community.

Documents used in the preparation of this report.

- 1) House Bill 489
- 2) September 23, 2015: Letter to County to negotiate Service Delivery Strategy
- 3) January 5, 2016: Letter to County to negotiate Service Delivery Strategy
- 4) Service Delivery Strategy
- 5) September 29, 2014: Letter of Intent to revise or terminate "Communications and Fire Protection Agreement"
- 6) List of Fire Department Equipment owned by City and County
- 7) February 10, 2016: Letter to County terminating County Fire Service