

Memorandum



To: Hon. Mayor and City Commission
 From: Russ Blackburn, City Manager
 Date: Tuesday, December 07, 2010
 Subject: COPS Grant and Potential Expenditure Impacts

On December 2010, the City Commission will consider whether to accept all or a portion of the federal COPS Grant provided to the City. City staff is very appreciative to the Federal delegation of the opportunity to receive funding for salaries and benefits for fifteen (15) police officers under the COPS Grant. The City Commission, however, should be aware of the conditions of the Grant. The Grant is funded for three (3) years. At the end of the three-year term the City of Gainesville General Fund will be responsible for picking up the salaries of any officers accepted to be funded by the Grant. The item provided to you notes that in today's dollars those salaries and benefits alone total approximately \$1.1 million dollars. These costs do not include vehicles, operation of vehicles, or the accessories such as guns, tasers, and other items used by a police officer. In determining what I should recommend to you relative to the grant, I reviewed the City's recently adopted General Fund Five Year Financial Forecast. You may recall that FY 11- FY12 revealed an accumulative deficit of \$7.43 million dollars. The projected deficit actually grew during FY 11 deliberations to over \$8 million dollars. The City Commission through very difficult decisions balanced the FY 11- FY12 budget. FY 13 - FY15 continues to show smaller deficits in this five-year window.

Based on the lack of projected revenue growth, I have included in the item a recommendation that the City accept five (5) COPS officers to be funded by the Grant. It is my belief that we will have some small revenue growth by FY 14, which could offset the impact of up to five officers. As noted in the item, three (3) of the officers are proposed for traffic enforcement. These officers will generate some additional revenue, but it is difficult to budget based on traffic revenues which have no proven track record. I am including in this memorandum the summary table for revenues and expenditure projections for FY11 – FY15. Although there are justifications for accepting all 15 officers offered by the COPS Grant, it is my belief that it is prudent to recognize that we cannot be sure that we will have revenue growth to compensate for the additional costs for more than five (5) officers in FY 14.

	FY11 - FY15 FORECAST DEFICITS				
	FY11	FY12	FY13	FY14	FY15
Total revenues	99,666,896	101,542,047	103,435,998	106,828,131	111,487,708
Total expenditures	105,234,791	108,985,164	112,127,198	117,396,303	122,202,871
Net deficit	(5,567,895)	(7,443,117)	(8,691,200)	(10,568,172)	(10,715,163)
FY11 & FY12 recurring					
decrements	5,567,895	7,443,117	7,727,444	8,022,632	8,329,097
Remaining deficit	-	-	(963,756)	(2,545,540)	(2,386,066)

Copy: Becky Rountree
 Mark Benton
 Chief Tony Jones