



Methodology Updates

The Fiscal Feasibility Analysis for the city of Lakeside includes a few methodology changes from the study conducted for Brookhaven by the Carl Vinson Institute of Government. The following areas were analyzed differently: Occupation Taxes, Storm Water Fund, Franchise Fees, Police Expenditures, and Facility Leases.

Previously Occupation Taxes were calculated as a ratio of assessed value of commercial property in the study area to the DeKalb unincorporated area. This time, CVIOG was able to use payments from businesses that have been issued a business license by DeKalb County for calendar year 2012. This included their address information and the amount that was charged and paid for each license issued. Based on this information, CVIOG was able to map all but 2% of the businesses and identify those in the Lakeside study area. The actual amount paid for business licenses in Lakeside was used in the analysis.

Previously the Storm Water Fund was calculated based on the ratio of population in the study area to the DeKalb unincorporated area. This time the actual amount collected for Storm Water in the proposed area of Lakeside was provided by the Tax Commissioner's office based on study area parcel IDs.

(Similarly, the Tax Commissioner's office provided the actual revenue from Street Lights and Speed Bumps so those revenues were included this time.)

Franchise fees were broken into the four sub-parts in the Brookhaven study and analyzed separately. In the Lakeside study, the franchise fees paid by 32 comparison cities was used to run a regression. Independent variables on which we had data included the population of each city along with its assessed values of residential, commercial and industrial property. The model that fit the data best expressed franchise fees as a function of population, the assessed value of commercial property and dummy variables for Augusta, Savannah, and Athens-Clarke County.

Operational Police Expenditures in the Brookhaven study were based on an average per capita expenditure of comparable cities. The Lakeside study looked at Police Expenditures two different ways. Firstly, comparable cities were analyzed to calculate the number of persons per officer in each city. The average of this was applied to the study area

population. The second method utilized a workload analysis. This analysis employed both a sampling of actual E-9-1-1 calls in DeKalb County and an assumption made by the International Association of Chiefs of Police of expected calls per resident. These two figures were then used as the starting point for calculating how many officers would be needed to handle the workload. It was interesting to note that utilizing an average number of persons per officer and using the workload analysis method gave similar results.

For capital costs for Police Officers, the Brookhaven study employed the method of using the average number of officers per resident and then using the Brookhaven population to arrive at the number of police officers needed. The average cost per officer experienced by Dunwoody at its start-up was then applied to this number of officers. The Lakeside study instead used the 83 officers calculated from the workload analysis and applied the inflation-adjusted cost per officer from the Dunwoody actuals.

In the Brookhaven study, facility leases and facility maintenance were calculated as ongoing operational expenses. This was due to the comparable cities of Johns Creek and Dunwoody both leasing their facility space.

Since the city of Smyrna was used this time as a comparable city and it owns all its facilities, there was no data from Smyrna on lease expenses. Therefore, we undertook two different methods to estimate leases. First, the data from Dunwoody on the amount of space that it does lease was used to calculate a per capita square footage. This was applied to the population of Lakeside to estimate how much square footage could be expected to be needed. The budget numbers from Dunwoody for lease payments were also used to calculate a cost per square foot which was applied to the amount of square feet Lakeside could expect to lease.

To make sure that we gave the best estimate possible, we also used the data on employees in Smyrna to calculate the number of employees Lakeside could be expected to need. A couple of assumptions were made about the square footage each employee would need and then price estimates from real estate available for lease in the study area were used to give a low end range and a high end range for expected lease expenses.