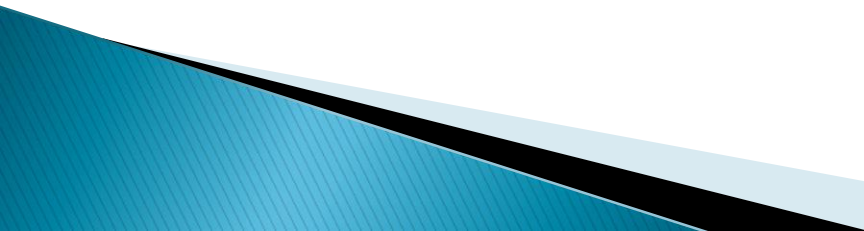


Public Safety Communication System Funding Options Report (Update)

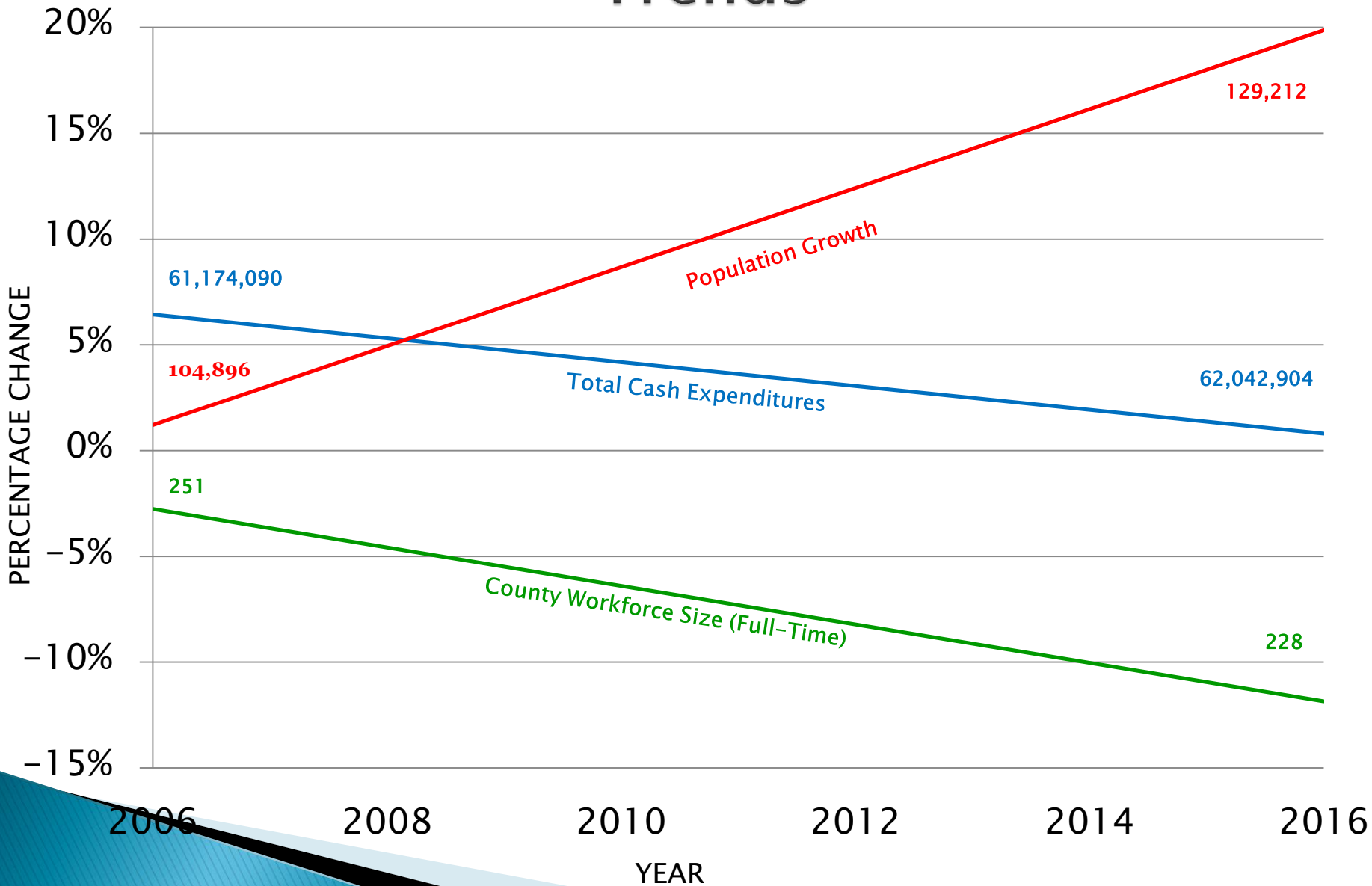
March 7, 2017



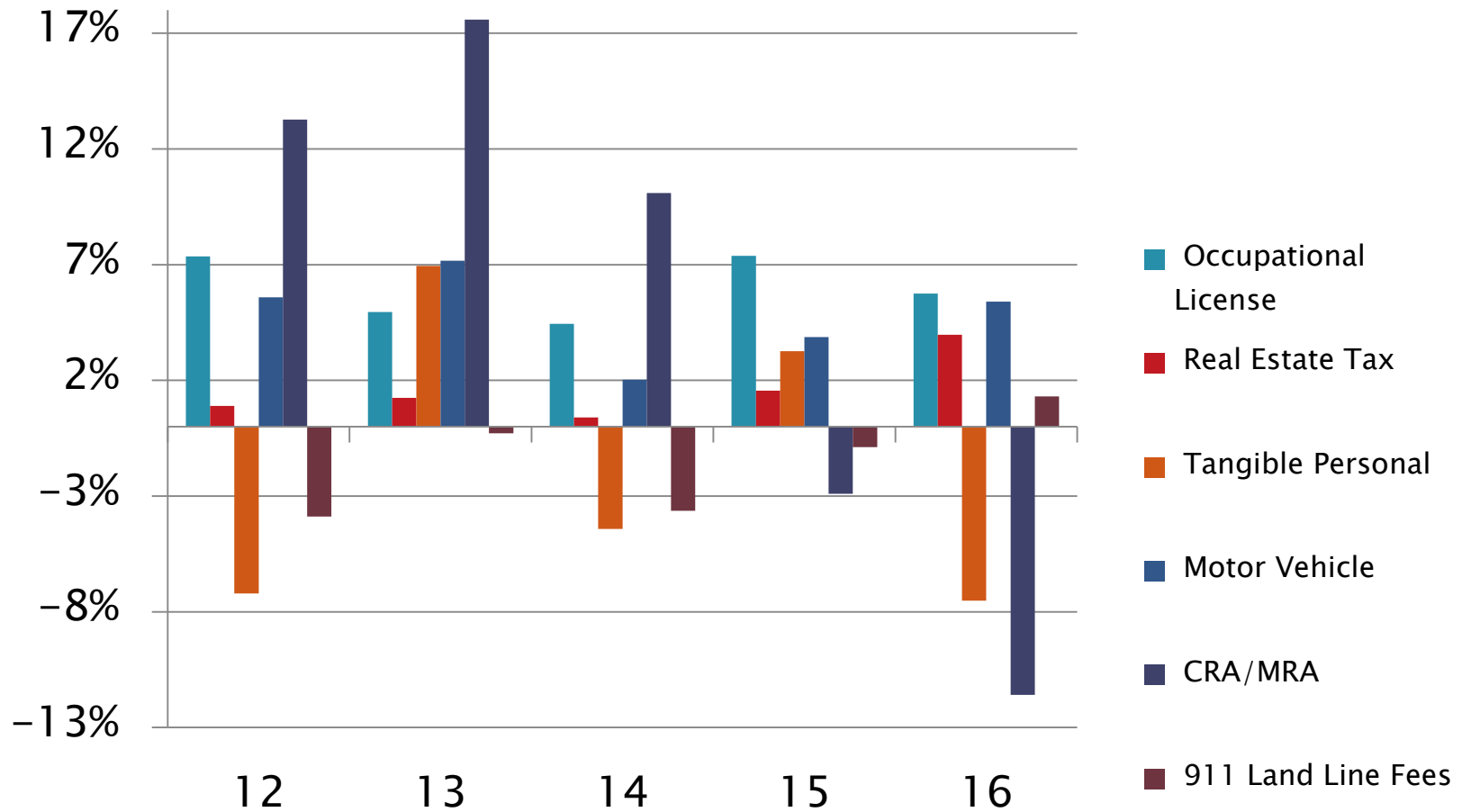
Guidance from Fiscal Court at February 7, 2017 meeting

- ▶ Evaluate capacity to fund public safety needs from existing revenue sources
 - ▶ Focus on reducing rates and total net revenue generated
 - ▶ Emphasis on refinement of two selected funding options (Option Nos. #3 and #4)
- 

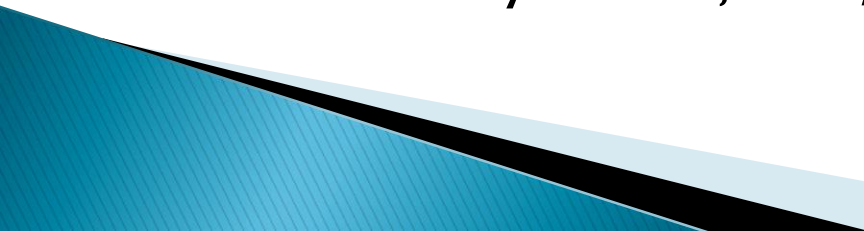
Boone County Growth and Efficiency Trends



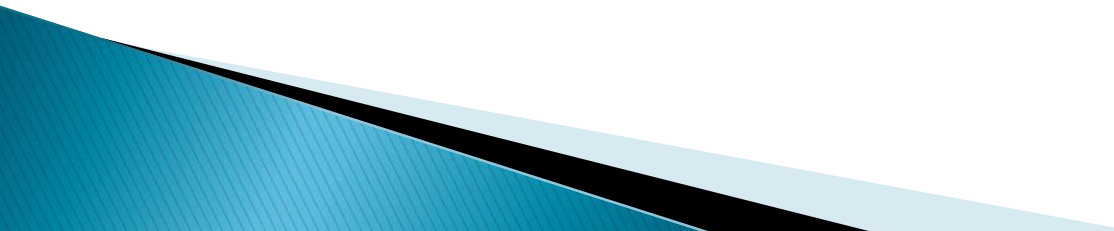
Major Revenue Source Annual Growth Rate



Option No. 3–Summary of revenue restructuring plan

- ▶ Repeal motor vehicle tax that eliminates revenue of 1.55 million dollars/year
 - ▶ Repeal 911 landline fee that eliminates revenue of 1.34 million dollars/year
 - ▶ Rollback real estate tax rate by 1.0 cent that reduces revenue by \$980,000/year
 - ▶ Rollback tangible rate by 1.2 cents that reduces revenue by \$240,000/year
- 

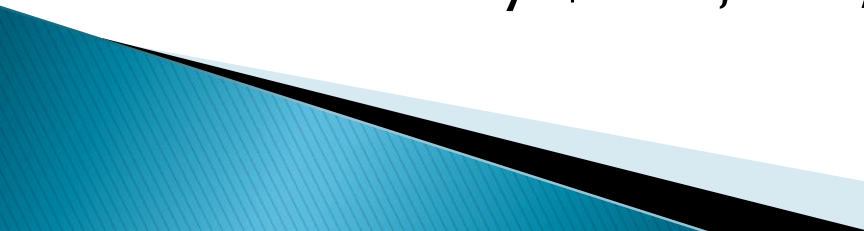
Option No. 3–With restructuring and without additional revenue

- ▶ \$800K/year estimated for new public safety communication system
 - ▶ \$4.20 million/year to fully fund 911 /dispatching service operating expenditures
 - ▶ No new revenue for future capital project needs
 - ▶ Corresponding insurance premium tax rate – 5.5%
- 

Option No. 3–Without restructuring or new revenue

- ▶ Eliminate tax rollbacks and repeal proposal
- ▶ Maintain proposal to repeal 911 land line fee
- ▶ Focus on additional revenue required to fund new communication system and 911/dispatching service
- ▶ No new revenue for future capital project needs
- ▶ Corresponding insurance premium tax rate – 3.5%

Option No. 4 – Insurance premium tax/per dwelling unit fee

- ▶ Repeal motor vehicle tax that eliminates revenue of 1.55 million dollars/year
 - ▶ Repeal 911 landline fee that eliminates revenue of 1.34 million dollars/year
 - ▶ Rollback real estate tax rate by 1.0 cent that reduces revenue by \$980,000/year
 - ▶ Rollback tangible rate by 1.2 cents that reduces revenue by \$240,000/year
- 

Option No. 4 – Insurance premium tax/per dwelling unit fee (cont.)

- ▶ \$800K/year estimated for new public safety communication system
- ▶ \$4.20 million/year to fully fund 911/dispatching service operating expenditures
- ▶ No new revenue for future capital project needs
- ▶ Corresponding insurance premium tax rate – 5%
plus
- ▶ Corresponding per dwelling unit fee – \$15.00/yr.

Option No. 4 – Insurance premium tax/per dwelling unit fee (alt.)

- ▶ Eliminate tax rollbacks and repeal proposal
- ▶ Maintain proposal to repeal 911 land line fee
- ▶ Focus on additional revenue required to fund new communication system and 911/dispatching service
- ▶
- ▶ No new revenue for future capital project needs
- ▶ Corresponding insurance premium tax rate – 3.0%
plus
- ▶ Corresponding per dwelling unit fee – \$15.00/yr.

Summary of Funding Options

- ▶ Option No. 3 (with tax cuts) – 5.5% insurance tax
 - ▶ Option No. 3 (w/o tax cuts) – 3.5% insurance tax
 - ▶ Option No. 4 (with tax cuts) – 5.0% insurance tax plus \$15.00/year dwelling unit fee
 - ▶ Option No. 4 (w/o tax cuts) – 3.0% insurance tax plus \$15.00/year dwelling unit fee.
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