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Calculating the Cost of Community Service (COCS) Study in LaPorte County, Indiana

background

The LaPorte County Soil & Water Conservation District with the support of the LaPorte County Commissioners initiated a Cost of Community Service Study to supplement the LaPorte Countywide Land Development Plan and planning process currently in progress by Duncan Associates. The Commissioners retained Cender & Company L.L.C. (Merrillville, IN) to prepare the study in accordance with acceptable practices developed by the American Farmland Trust and the community development industry.

description

A cost of community service (“COCS”) study is a policy resource and planning tool designed as a case study to quantify the average fiscal contribution of existing land-uses and their tax implications to a community as a means to measure direct fiscal relationships. The objective is to evaluate open lands (vacant or agricultural) with residential, commercial and industrial land uses. A COCS study is a snapshot in time of costs versus revenues for each type of general land use that provides a baseline of current information to assist local officials and planners make informed land use and development decisions - its significance to the LaPorte Countywide Land Development Plan as a supplemental document.

methodology

Generally, a COCS study is an assessment of the cost-revenue impacts of various land use categories on a political subdivision. The study results in a set of ratios showing the relationship of a political subdivision’s revenues (taxes paid) to expenditures (services provided) for a specific fiscal tax year for different classifications of land uses.

The COCS Study initiated in January 2006 is a seven-phased project anticipated for completion by July in order for Duncan Associates to incorporate COCS study results into a future land use and development plan as a part of the LaPorte Countywide Land Development Plan.

SCOPE OF WORK

Phase I Project Initiation and Define Land Use Categories

Phase II Data Collection from Identified Political Subdivisions

Phase III Calculate Default Percentages for the Allocation of Various Costs and Revenues

Phase IV Allocation of Expenditures by Land Use Category

Phase V Allocation of Revenues by Land Use Category

Phase VI Computation of the Cost-Revenue Ratios for Each Land Use Classification

Phase VII Prepare the COCS Study and Public Presentation

The process is straightforward, but ensuring reliable figures and data requires careful attention that the financial information is interpreted correctly. In addition, allocating revenues and expenditures requires a significant amount of research, including, if necessary, interviews with financial officers and public administrators.

goal of the COCS study

The COCS Study is LaPorte County’s proactive planning approach to understanding the fiscal balance of land consumption or the changes of land use to overcome and manage the impacts of urban sprawl. The COCS Study will provide LaPorte County policy-makers and planners a unique perspective on and an understanding of benchmark fiscal expenditures required to support a type of land-use classification when compared to the tax revenues generated by that land use. The COCS Study will be applied during various phases of the LaPorte County’s Countywide Land Development planning process to establish, support and implement land use and growth management policies to balance development goals related to residential, commercial, industrial development versus land preservation based upon the fiscal implications associated with each.

progress update

Cender & Company is in the process of collecting 2005 financial data and budgets from the LaPorte County and each township, school district and city or town in LaPorte County. The financial data collected will be analyzed and organized to assign the costs of providing various basic municipal or governmental services to identified taxing unit. Assessed valuation data for each general land use type in LaPorte County will also be collected and stratified for the LaPorte County, each township, school district and city or town in order to determine their percentage.

