



City of Fort Walton Beach

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Robert T. Mearns
City Manager
rmearns@fwb.org

May 18, 2011

Larry Ashley, Sheriff
Okaloosa County Sheriff's Office
1250 Eglin Parkway
Shalimar Courthouse Annex
Shalimar Florida 32579

Re: Request for Information

Dear Sheriff Ashley,

The City Council of the City of Fort Walton Beach has directed that I ask you to provide the City with information to determine the yearly cost of utilizing the Okaloosa County Sheriff's Office as the provider of public safety services to the City of Fort Walton Beach. As part of this request the City also requests information on the cost of partial service, to include communications and records. Please provide a time frame for the simultaneous submission of the requested information.

Should you have any questions regarding this request, please contact my office at your convenience.

Sincerely,

City Manager

c: Mayor and City Council, Police Chief, City Clerk, City Attorney

Sheriff



Larry Ashley, Okaloosa County Sheriff

1250 Eglin Parkway • Shalimar, Florida 32579-1234
Phone: (850) 651-7410 • Email: sheriff@sheriff-okaloosa.org

Date: May 23rd, 2011

Robert Mearns, City Manager
City of Fort Walton Beach
107 Miracle Strip Parkway, SW
Fort Walton Beach, Florida 32548

Re: Law Enforcement Services Proposal

Dear Mr. Mearns,

I am in receipt of your letter dated May 18th and if I am clear regarding its content, the City Council of Fort Walton Beach would like for the Sheriff's Office to provide an annual manning and cost estimate proposal for provision of law enforcement services similar to those currently provided for by the Fort Walton Beach Police Department. This proposal would presumably be for direct services above and beyond those countywide direct services provided by the Okaloosa County Sheriff's Office to all citizens.

In order to prepare a detailed contract proposal my staff will require various items of information from you which relate to your current service levels and expectations. In order to establish a starting point, a statement of services sought from the Okaloosa County Sheriff's Office is needed. Based on that statement, our staff will then prepare a list of items needed to support a contract proposal. Absent that, we are unable to provide a specific time frame for the preparation and conclusion of a response to your RFP. Some of the items needed in regards to the level of services requested would include:

- The City population and your annual calls for service numbers for the past 3 years.
- Your current patrol and investigative manning numbers and schedules.
- Your current civilian support manning numbers and schedules.
- Age, Condition, and Number of Patrol Vehicles in your fleet. (number equipped with mobile computer terminals - MCT's)
- Current employee master file including total compensation packages as well as time in service, time in grade, and fringe benefits. (We do not require employee names as positions/job task will suffice)
- Current financial condition of your retirement and health insurance programs.
- Any requirement for additional services not ordinarily included in normal patrol and investigative functions.
- A copy of your latest evidentiary audit and current inventory of physical evidence.
- A listing of any long term service contracts, debt, or pending litigation.
- Any items you would deem appropriate in furtherance of your RFP.



The Okaloosa County Sheriff's Office is accredited by the
Commission for Florida Law Enforcement Accreditation.

"The Okaloosa County Sheriff's Office provides equal access and equal
opportunity in employment and services and does not discriminate"

Sheriff



Larry Ashley, Okaloosa County Sheriff

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In regards to your request for a simultaneous partial services proposal, such as communications and records, there will need to be further discussions on this item. A full service proposal will contain components of partial services and can be discussed further upon review. A partial service agreement would also require a full commitment by those stakeholders affected in order to be a viable option. This would more than likely be accomplished through a Memorandum of Understanding.

Major JD Peacock (jdpeacock@sheriff-okaloosa.org) will be our agency's point of contact regarding your (RFP) request for proposal. Please provide him any information you deem pertinent in these discussions.

Based on the available economy of scale, there is no doubt that consolidation will significantly lower the city's annual cost of law enforcement services. These lower costs however are realized by the elimination of duplicative support and administrative components and personnel. The amount of savings may also be offset in the initial set up and merging which will require fiscal, evidentiary, and inventory audits. The review and merger of retirement and health plans, vehicles, communications, software, signage and uniforms are other costs.

The Okaloosa County Sheriff's Office stands ready to support and assist the City, the Police Department, and the citizens of Fort Walton Beach. Given our agencies relationship and mutual respect I would suggest that the city consider commissioning an independent consolidation study similar to one conducted by the Police Executive Research Forum (PERF) on behalf of the city of Destin in 2002. An independent study from an organization such as PERF or the NWFSC Institute for Senior Professionals (ISP) would remove a sizable task from our staff as well as alleviate any concern regarding motives or bias. We will of course provide whatever information necessary to assist in an independent study should you choose that option. Regardless of the outcome or findings, the Sheriff's Office will continue to be a service partner with the city of Fort Walton Beach in all future law enforcement endeavors, with or without a contract for service.

If you or the Fort Walton Beach City Council should have any questions regarding this suggested process please do not hesitate to call on me.

Sincerely,

Larry Ashley

Larry Ashley, Sheriff



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Questions posed by Northwest Florida Daily News on May 13, 2011 with corresponding answers from Okaloosa Sheriff Larry Ashley:

In your previous e-mail, you mentioned that the OCSO has been absorbing costs associated with its municipal contracts. What are some of these costs and how has that strained your budget?

In the past, the OCSO has charged municipalities for only the very basic costs for services. These included salary, employee taxes, insurance, fuel, and very nominal charges for auto repairs, tires, uniforms, etc. Numerous other costs have not been passed on to the municipalities; so ultimately, they have been paid for by the tax payers of Okaloosa County. Some examples (not all inclusive) include administrative support, finance, IT, communications, employee assistance, H/R, purchasing, fleet, records, and legal. We feel it is only fair that the additional services that are being provided for in these municipal contracts be paid for by the citizens that are directly benefiting from these services. Otherwise, these costs are being borne by the citizens of Okaloosa County, the majority of which are not receiving these additional services. The County cannot continue to subsidize municipalities at the expense of county residents who are already receiving lower levels of service due to recent budget cuts. This of course is why consolidation of services makes so much sense. Consolidation allows for every citizen sharing an equal share in the cost of public safety and furthermore because it does away with duplication of shared services.

It is our intent to eventually bring these contracts to a cost reimbursable basis where our cost in administering the contracts will be passed to the affected clients on a dollar for dollar basis.

Also, is that largely what constitutes the increases the municipalities are seeing?

The increases that municipalities will see are due to the previously described changes which have been added to current contract services. These include the previously mentioned support services. They include communications, IT, H/R, finance, and fleet. Salaries have and continue to remain unchanged since fiscal 2008/2009. As we continue to face and meet budget challenges we can no longer afford to subsidize these contracted services.

Some city officials have said they are frustrated because their residents are also paying county taxes and some of that revenue goes to the OCSO. What's your response?

There is a funding formula administered by county officials which accounts for the difference in taxes paid for by city residents and county residents. Part of the taxes that city residents pay is for numerous countywide services (e.g. jails,

transportation, court security, sexual predator tracking, civil process, warrants, intelligence, courthouse security, screening, etc). We also conduct investigations, forensic examinations, intelligence operations, traffic enforcement and a multitude of other services within municipalities as a county wide service to all citizens. Those services that municipalities pay for via county taxes would and will continue to be provided for in the absence of any contract for service or a standing police department. The services however that the OCSO provides for under contract to the municipalities are an additional service above and beyond those provided for via county wide services and resources. Again, in the past, the contracted amount for these additional municipal services has not adequately funded said contract services.

What kind of budget shortfall is the OCSO looking at this upcoming budget year? How much has the OCSO been cut in the past, say, three years?

The Okaloosa County Sheriff's Office has seen more than a 9% budget reduction in the past 2 years which equates to a 3.6 million dollar reduction. We have seen a 6.3% reduction in manpower while additional requirements resulting from increased populations including the 7th Special Forces Group has occurred. Additional manning requirements for a new circuit judge and judicial facilities has also been required. Our budget including contracts in 2008/2009 was \$32.72M. We are currently operating under a \$29.95M budget for this fiscal year. In addition to these cuts we have also returned more than \$854,000 back to the county in the past two budget cycles. Our budget for the upcoming year is still in process and is due by June 1 of this year.

If the OCSO did not pass on these administrative costs, what are your other options? Would it include deputy cuts?

If we do not pass on some of these administrative costs to the municipalities that are directly benefiting from these contract services, those costs will have to come from somewhere. Currently over 85% of our budget is made up of personnel cost while operational cost including fuel continue to rise. Cutting the number of Deputies answering calls for service would be an absolute last resort and not something I will do until all other alternatives have been exhausted.

Feel free to add anything else about the municipal contracts....

Municipalities have an option which is not available to county residents. They can seek approval to raise taxes to cover the cost of additional law enforcement services, agree to cut law enforcement services, or look at consolidating services in

order to keep similar levels of service while lowering cost. Municipalities who currently contract with the Sheriff's Office for services are more than capable of providing their own analysis, seeking services elsewhere, or providing their own in house service via a police department. Those decisions rest with city councils and city residents. The Sheriff's Office will assist city and county officials in collecting data and performing analysis in regards to consolidation however we will continue to remain neutral in these discussions.

Please keep in mind the Okaloosa County Sheriff's Office does not operate on a profit model. As we negotiate these contracts for city police services we are simply trying to ensure that these services are paid for on a cost reimbursable basis. The tax payers in Okaloosa County can no longer afford to subsidize city police service contracts."

Newspaper Inquiry on Consolidation Proposal May 10, 2011

(Here are Sheriff Larry Ashley's answers to questions he received reference a proposal to review consolidation of law enforcement services with the city of Fort Walton Beach for those interested. The Sheriff's answers are in green.)

I have answered the NWFDN inquiry in green underneath your questions. As a clarifying statement, the Sheriff's Office is neutral on this issue however we will be happy to assist city and county officials in their efforts to collect data for consolidation analysis if requested to do so. I believe any consolidation initiative must come from the citizens. Providing options and making them available to the public allows our citizens a voice in determining the best approach. Please call me if you need clarification on any of my remarks. I have a speaking engagement at 6 PM however I should be done by 8 PM

* Can you clarify what you understand the proposal to entail?

I don't have any specifics regarding Councilman Griggs' proposal. I will presume that he will seek consensus from the council in requesting a proposal and cost estimate for the contracting of law enforcement services with the Sheriff's Office, similar to what we provide for Destin, Mary Esther and Cinco Bayou.

In light of our current economic conditions we can either cut services, raises taxes, or consolidate. We however have no desire to offer a service to an unwilling client. This has to be a city initiative and a city desire.

We are currently attempting to standardize and right all of our current contracts for service in so much as we subsidize or absorb additional cost in each of them. This cannot continue as we approach this year's budget process.

* Have you discussed this with Griggs, and how long has this idea been on the table?

Councilman Griggs and others have contacted me in regards to consolidation questions. I campaigned on consolidation as a means of cutting cost while maintaining a standard of service. I have since been approached by a number of city and county leaders in this regard.

Analysis of a Contract with the Sheriff's Office has been in the city's strategic plan for some years now. You can look at the 2010-2011 budget for the Police Department and see it listed there.

The idea of consolidation of law enforcement services in our cities has been discussed for the last 20 plus years. It has and continues to happen all across our state and country. I can ensure you the idea did not originate from the Sheriff's Office. I am a proponent of consolidation where it makes sense. Again, this has to be a city initiative with grass roots support.

*** Did the idea originate with the Sheriff's Office or did Griggs make the proposal?**

This proposal (whatever it may be) did not originate with me, however citizens, Tea Party members, county, and city leaders from various municipalities have frequently discussed this issue with me. Again, the idea of consolidation of law enforcement services in our cities has been discussed for a number of years. This issue has also been previously proposed and voted on by former city councils.

*** How does the father-son relationship between your Deputy Director of Administration Stan Griggs and Councilman Bobby Griggs play into the proposal?**

It has no bearing on the issue. This is a decision for the citizens of Fort Walton Beach to make.

*** How would this arrangement benefit or challenge the Sheriff's Office? What are the benefits to taxpayers?**

Consolidation will have little effect on the Sheriff's Office. This would benefit the city taxpayer in lowering the per capita cost of law enforcement services for its residents. Consolidation will not necessarily help the county taxpayer in any substantial or meaningful way other than having a larger contingent of forces to mobilize when dealing with large scale disasters. In addition, purchasing and communications benefits will create some other positive aspects as well as having a larger number of personnel to pull specialized duties from. Consolidation would eliminate the need for two communications centers, two records centers, two computer systems, two administrations, two Special Response Teams, two K-9 Units, two of all support functions, just to name a few..

*** How much the Sheriff's Office would charge the city to provide law enforcement coverage? A ballpark is fine.**

(I have no idea and do not want to participate in an exercise in futility. If City Officials reach a consensus and desire a cost estimate I'll examine the issue then.) Basic economies of scale however clearly dictate that through the elimination of duplicative services, we could do it for less. If a proposal is requested one will be provided. It will then be for city officials and residents to determine what type of services they desire and if our cost estimates are worth the change required.

*** How would staffing be affected by the OCSO absorbing the FWB Police Department?**

Much of the cost savings associated with consolidation is realized by ending duplicative services such as supervisory and management positions. I don't have any numbers because we haven't to date received any request to explore it. Of course we would give retention preference to the current staff as warranted in our needs assessment.

*** If the city approved the proposal this year, presumably during the 2012 budget talks, how soon could the change take place?**

(I don't know what the proposal is or what it would include, so I can't answer this at this time). I do know that they have this item on their agenda for Tuesday May 17th

Given the required information and taking into consideration swap over cost of uniforms, vehicles and communication services we could probably provide a needs assessment and cost estimate within 60-90 days.

Kari C. Barlow