

**SALT LAKE CITY COUNCIL STAFF REPORT**  
**BUDGET ANALYSIS – FISCAL YEAR 2003-04**

**DATE:** May 16, 2003

**BUDGET FOR:** **POLICE DEPARTMENT**

**STAFF REPORT BY:** Gary Mumford

**cc:** Rocky Fluhart, David Nimkin, Chief Dinse, Jerry Burton,  
Steve Fawcett, Kay Christensen, DJ Baxter

The Police Department made cuts to its 2002-03 adopted budget of \$533,170 by budget amendment. Additional reductions of \$528,430 are proposed for fiscal year 2003-04 for a total of a 2.5% reduction from the adopted budget before salary adjustments. These reductions include \$326,000 of one-time savings. Proposed salary adjustments including increases to pension and health insurance rates total \$1,855,900. Therefore, the Police Department's budget for fiscal year 2003-04 is proposed to increase by \$794,300 over the 2002-03 adopted budget and \$1,327,500 over the amended budget.

<b>POLICE DEPARTMENT PROPOSED BUDGETS</b>					
	Adopted 2002-2003	Amended Budget	<b>Proposed 2003-2004</b>	Difference	Percent Change
<b>Administrative Bureau</b>					
Administration	\$2,003,078	\$2,040,578	<b>\$1,599,443</b>	\$(441,135)	(21.6%)
Management Services includes dispatch, records, technical support	5,874,860	5,958,393	<b>6,380,652</b>	422,259	7.1%
Support Services includes training & internal affairs	1,114,393	1,155,434	<b>1,209,500</b>	54,066	4.7%
General Services	3,548,645	2,427,527	<b>2,038,555</b>	(388,972)	(16.0%)
<b>Total Administrative Bureau</b>	<b>12,540,976</b>	<b>11,581,932</b>	<b>11,228,150</b>	<b>(353,782)</b>	<b>(3.1%)</b>
<b>Investigative Bureau</b>					
Detective includes crime lab & evidence unit	6,308,274	6,512,659	<b>6,727,407</b>	214,748	3.3%
Special Investigations includes traffic unit (accident investigators, motorcycle squad)	6,575,803	6,811,241	<b>7,341,189</b>	529,948	7.8%
<b>Total Investigative Bureau</b>	<b>12,884,077</b>	<b>13,323,900</b>	<b>14,068,596</b>	<b>744,696</b>	<b>5.6%</b>
<b>Operations Bureau</b>					
Pioneer Patrol	8,637,119	8,416,693	<b>8,998,963</b>	582,270	6.9%
Liberty Patrol	8,362,897	8,569,371	<b>8,923,690</b>	354,319	4.1%
<b>Total Operations Bureau</b>	<b>17,000,016</b>	<b>16,986,064</b>	<b>17,922,653</b>	<b>936,589</b>	<b>5.5%</b>
<b>Total Police Department</b>	<b>\$42,425,069</b>	<b>\$41,891,896</b>	<b>\$43,219,399</b>	<b>\$1,327,503</b>	<b>3.2%</b>

**Major reductions to the proposed budget:**

- Eliminate one vacant Victim Advocate position (\$52,308 savings) – The Victim Advocate program began under a federal grant to assist victims of crime and has been funded in the General Fund for the last three or four years. There are four full-time Victim Advocate positions; one is vacant. There is also one coordinator position that was never grant funded. One part-time position remains funded under a grant. Victim Advocates assist victims and witnesses by providing crisis intervention, assisting victims in obtaining protective orders, evaluating needs and making referrals for counseling, housing, legal assistance and other services. Victim Advocates serve as a liaison for victims with law enforcement and prosecutors. When determined necessary, Victim Advocates will attend court proceeding to support victims.
- Eliminate one vacant Youth & Family Specialist position (\$49,596 savings) – The Youth and Family program began under a federal grant to help combat the potential for at-risk youth to become involved in criminal activity. There are currently four full-time Youth & Family Specialist positions in the Police Department, one being vacant. The Youth and Family Specialists receive referrals from various agencies including the City’s Police Department and from concerned individuals within the community. Once a referral is received, a Specialist meets with the family for a formal assessment. A treatment or referral plan is developed. Case management includes monitoring academic performance at school, weekly meetings in the home to monitor the family’s progress, crisis intervention, parenting skills, anger management, and problem solving skills. If the case is referred to other agencies for services, the Specialist monitors compliance with those referrals. Youth and Family Specialists also establish an intervention program with juveniles who have committed a second legal offense in the community. The goal of the program is to reduce recidivism, provide resources to families, and protect the community by improving parental skills and supervision. The Youth and Family Specialists serve as members of Community Action Teams (CAT). The Youth and Family Specialist program also monitors cases relating to the City’s parental responsibility ordinance that was a City Council initiative several years ago.
- Attrition savings (\$200,000) – The Police Department realizes some salary savings for two reasons: (1) timing between when employees leave and when they are replaced, (2) salary differential between a senior officer and new recruit. The Police Department uses part of the savings from vacant positions to fund some additional overtime and to fund retirement payouts. The Police Department is projecting an additional savings in attrition because several employees are on military leave and because the department will not need as much attrition savings to supplement overtime. The actual savings will depend on when those on military leave return and on how well the Department is able to manage overtime. Most of the savings will be one-time because of employees on military leave.
- Replacement of officer laptop computers (\$94,000 one-time savings) – Laptop computers in police cars were purchased over a three-year period with the intent to replace these computers every three years. Because the price of laptops came down, the Department was able to upgrade sooner. Since the computers are all of the new variety, the Department has determined to skip one year’s replacement funding.

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- Speed board deployment (\$39,000 savings) – For fiscal year 2002-03, the Council funded \$50,000 for the Police Department to hire retired officers to deploy the speed boards. The Department stated that it was unable to fill these part-time position because of the shifts required. The Department currently deploys 5 boards in the winter months (due to lack of charging from solar panels) and approximately 6 boards during other times. Police officers spend 3½ hours deploying boards during their regular shifts and 3½ hours on an overtime basis retrieving the boards. On Saturdays, both shifts are covered on overtime with no coverage on Sundays. The difference between the \$50,000 and \$39,000 remains in the Department’s budget to help fund the overtime. *The Council may wish to discuss this method of deployment with representatives of the Police Department, and confirm that the deployment will continue with the reduced funding. In addition, the Council Office still receives comments that the signs are sometimes placed after rush-hour traffic, at mid-morning. The Council may wish to confirm with the Police whether the signs are in place long enough to gather adequate data and achieve the desired speed reduction at peak times.*
- Vehicle fuel (\$50,000 decrease) – The Department is reducing its budget for fuel based on an analysis of actual usage.
- Delay replacing equipment (\$32,000 one-time savings) – The Department proposes to delay the replacement of copy machines, pedal bikes and other equipment.
- Cell phone and pager costs (\$35,000 savings) – The Department will research cell phone plans for cost savings opportunities and reduce the number of pagers where an officer has both a pager and cell phone.
- Shift CDBG salary to CDBG Fund (\$40,000 decrease) – In the past, salary expense for positions within the General Fund that were funded by Community Development Block Grant (CDBG) revenue were recorded as general fund expenditures and general fund revenue. The Administration proposes budgeting for these positions directly within the CDBG Fund thereby eliminating the expenditures within the general fund and the offsetting interfund revenue. The effect of this accounting change is a reduction in the Police Department of \$40,000 relating to partial funding of a Community Mobilization Specialist position and operating supplies for the Mobile Watch program. This funding will continue but be accounted for in a special revenue fund.
- State & County data processing services (\$34,000 savings) – The Department determined that information that was obtained in the past from the state and county is now available on the Internet.
- Communication equipment maintenance contract (\$149,000 savings) – After analysis, the Department determined that it would be less expensive to pay for repairs of communication equipment on a time and material basis than through a maintenance contract.
- Office equipment maintenance contract (\$21,000 savings) – The Department will pay for repairs of office equipment on a time and material basis rather than carry a maintenance contract.

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- Telephones (\$28,000 savings) – The Department has determined that it can reduce the number of desk telephones and telephone lines.

**Increase to revenue:**

- E911 interfund transfers (\$346,000 additional revenue): The Police Department has justified a larger transfer from the E911 Fund to reimburse the General Fund for the costs of answering emergency calls. State code requires telephone users to pay a monthly fee of 53 cents for the E911 service. The City records this revenue to a special revenue fund. The E911 revenue is restricted to reimburse the City for the cost of answering emergency calls and related equipment. Dispatching expenses are not eligible for reimbursement.

**Major increases to the proposed budget:**

- Salary & benefits adjustments (\$1,386,448 increase) – The proposed budget funds the third year of the memorandum of understanding agreed to by the City and the International Union of Police Associations in June 2001. The term of the agreement is from July 2001 to June 2004. For fiscal year 2003-04, the agreement calls for an average increase beginning June 22, 2003 of 2.9%. Merit pay increases for police officers average 1.26% on the employee's employment anniversary date unless the employee is already at the top of the pay scale.

Pay adjustments for police sergeants, lieutenants and captains are not negotiated with a bargaining unit. However, the Administration does work with a group of employee representatives to review the proposed changes. The budget proposes a 3.5% cost-of-living increase. Merit increase will average only .04% because most sergeants, lieutenants and captains are topped out.

Civilian employee in the 200 pay series (e.g., dispatchers, secretaries, crime lab technicians) are proposed to receive a 2.75% average increase plus merit pay increases averaging 1.02% according to the memorandum of understanding with the American Federation of State County & Municipal Employees.

Civilian professional employees (e.g., managers & supervisors of civilian positions, information specialists, youth & family specialists, community mobilization specialists, victim advocates) are proposed to receive 2.7% general percentage pay increased that is applied by determining whether each employee is below the midpoint or above the midpoint. Those below the midpoint will receive a greater increase and those above the midpoint receive a smaller increase. Since most City employees in the professional pay plan are below midpoint, the total average estimated cost for the City is 3.7%.

- Pension rate change (\$407,580 increase) – Pension rates for police officers will increase from 29.24% to 31.35%. Pension rates for civilian positions will increase from 8.69% to 9.62%. Police officers are eligible for retirement after 20 years compared to the retirement plan for civilians, which generally requires 30 years of employment. Police officers are not covered under Social Security. The City doesn't need to make FICA contributions for police officers (except for the medical portion of FICA).
- Health insurance rate change (\$61,896 increase) – Health insurance premiums are increasing 2%.

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- Long-term disability premiums (\$167,000 increase) – By state law the City must provide long-term disability coverage for police officers. Other city employees have the option of obtaining long-term disability insurance by paying the full amount of the premium. The City is self insured for this coverage, which is administered by a third party. Police officers are in a separate self-insured pool. The third party administrator's analysis indicates that there need to be a major increase to premiums of the Police Department because of increased utilization over the past several years.
- Fund Community Mobilization Specialists position that was cut from CDBG funding with General Fund resources (\$40,000 increase) – In fiscal year 2002-03 there were four Community Mobilization Specialists, one being partially funded with CDBG (total cost of the position is \$52,000). The Council redirected CDBG funding for this position for fiscal year 2003-04. The Police Department proposes retaining the position by funding it with General Fund resources. All four of the positions are filled; there are no vacancies. The specialists work with the community/neighborhood councils and Community Action Teams to determine issues, problems and concerns. The specialists investigate and help resolve these concerns. The Community Mobilization Specialists provide training in crime prevention and assist neighborhoods in implementing Neighborhood Watch. Some Council Districts share a Community Mobilization Specialist. The Council Office has previously requested data from the Police Department on the functions being performed by these positions, but has not received specific information. Without that data and just based upon observation and response to Council Office requests for meetings with and assistance for constituents, it appears that the degree to which outreach work is performed by this unit is significantly less than in the past. *In adopting the CDBG budget, the Council expressed its intent to eliminate one position that was CDBG funded, and to eliminate another position during the general fund budget review. This would leave two specialists – one for the eastern area of the City and one for the western area. The Council may wish to ask for clarification on the division of duties between the sworn officers assigned to the community outreach and these civilian positions and determine whether the function could be adequately addressed by the sworn officer positions with some additional clerical support.*

#### **Other items:**

- School resource officer grant – The Police Department would like to discuss with the Council the option of applying for a grant to fund three additional school resource officers in high schools. If awarded, the grant would pay for actual costs, up to \$125,000 over three years. The total cost over three years would be about \$195,000. The Police Department has made a tentative inquiry with the School District superintendent, and he is interested in a written proposal. The Police Department's proposal to the School District will be for the District to fund the difference between the grant and actual cost. If the school board elects not to participate at the expected contribution level, the Police Department would return to the Council for a decision as to whether the proposal warrants general fund use. The deadline for grant submission is June 2. The grant requires, as is usual in hiring grants, that the positions be retained for at least one budget cycle beyond the conclusion of federal funding. General Fund participation would be required in fiscal year 2006-07. *The Council may wish to discuss the option of applying for this grant with representatives of the Police Department, and may wish to express a*

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*position on whether the Council would consider the funding if the School Board elects not to do so.*

- Overtime – On May 15<sup>th</sup>, the Council Office received a written report on police use of overtime (see attached). Actual overtime expense for the first 10 months of the current fiscal year is \$1,035,000 compared to an annual budget for fiscal year 2002-03 of \$1,068,100 including court appearance pay. According to the report, the Police Department has achieved a dramatic reduction in the amount of overtime. The report states that the Police Chief has committed to pay strict attention to the use of overtime. Division managers are required to provide a justification for the use of overtime. Council staff's understanding is that pension contributions (30%) do not apply to overtime pay. *The Council may wish to ask representatives of the Police Department to further explain changes in the management of overtime.* Please note that because the report was just provided, Council staff has not had time to review the report in any detail to determine whether it fully addresses the Council's Legislative Intent Statement.
- Mobile Watch Coordinator – Last year the Police Department proposed to eliminate the full-time Mobile Watch Coordinator position. The Council funded \$23,500 for a civilian part-time Mobile Watch Coordinator. After additional analysis, the Police Department transferred one patrol officer to coordinate the mobile watch efforts. The \$23,500 savings is part of the "attrition" savings. *The Council may wish to ask representatives of the Police Department about the need for a full-time officer to coordinate mobile watch.*
- Transfers of costs between bureaus and divisions: The Department realigned certain costs or functions during the year resulting in transfers of costs between divisions and bureaus. These transfers include personnel moved to better meet the changing nature of police service requirements. Periodically, the Police Administration makes changes to the organization to better meet service demands and priorities.
- Pioneer Police Precinct Building – Pioneer Patrol and the Training Unit will move into the new police precinct station at the end of June. The memorial will be completed in late July or early August.

## **LEGISLATIVE INTENT STATEMENTS**

The Council issued the following legislative intent statements in June 2002 that relate to the Police Departmental budget.

**Overtime within the Police Department** - It is the intent of the City Council that the Police Department make every effort to keep within its overtime budget and submit a written report to the Council quarterly on actual overtime incurred and steps taken to reduce reliance on overtime. Specifically, the Council requests that the Administration complete a detailed analysis on approaches to reduce overtime. This analysis should include but not be limited to:

- All options to reduce the number of vacant positions (i.e. hiring officers more frequently;

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- All options of workforce scheduling;
- Opportunities to anticipate and accommodate the natural and consistent level of turnover that occurs in the initial months after hiring (including the potential to train more officers than the actual number of positions available);
- Ways in which the Legislative Branch could help address the issue, including the potential of adding positions to allow the Police Department to take approaches as outlined in item “c” above.
- The extent to which the Police Department believes it is beneficial to use overtime in place of regular full time employees in order to manage costs (expenses for cars, equipment, benefits vs. overtime pay)
- The extent to which holding positions open and using overtime could have a service level impact or policy impact.

Results/Steps Taken: On May 15<sup>th</sup>, the Council Office was provided with a written analysis on police overtime (see attached).

**Speed Boards** – It is the intent of the City Council that all seven speed boards be placed on City streets at least five days per week from 6:30 a.m. to 7:30 p.m. (except when boards are out of service waiting for parts or otherwise not available). It is the intent of the Council that the Administration consider contracting for this service.

Results/Steps Taken: The Department proposed in fiscal year 2002-03 to use hourly retired police officers to deploy the boards. The Council funded \$50,000 to support this effort. The Department was unable to fill shifts required due to work schedule required. The Department currently maintains approximately 5 speed boards during the winter months (due to lack of charging from solar panels) and approximately 6 during the other times. Three and half hours are spent on duty deploying and three and half hours of overtime on retrieval per weekday. On Saturday, both shifts are covered on overtime with no coverage currently provided on Sunday.

*During the briefing on the proposed budget, the Council may wish to identify legislative intents relating to the Police Department.*

*During the briefing, the Council may wish to identify potential programs or functions to be added to the Council’s list for future audits.*