

# Council Business Meeting

January 2, 2018

**Title:** Police Funding  
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## **Summary:**

In March the Council authorized the hiring of five new Police Officers and has been working to find a sustainable funding source. Funding has been identified for two of the new Police Officers. The extended hiring process provides resources for four Police Officers in year one of the biennium. A funding source will need to be identified for the second year of the biennium.

The Police Department remains committed to increasing the patrol strength from a Sergeant and three Officers to a Sergeant and four Officers. The Police Department has reassigned a Police Officer position from the regional task force to patrol. In order to increase the staffing levels, the Police Department would need only three additional officers (two previously funded). The other positions would be to re-engage the School Resource Position (with summer time patrol).

There are several questions that staff needs directions:

1. Does Council still want to hire the additional two Police Officers?
2. Does Council wish to raise additional Revenue for the Police Officers?
3. Does Council want to staff to reduce current expenditures and bring back potential reductions at a future Council Meeting?

## **Resource Requirements:**

A new Police Officer costs about \$110,000 per year. The cost of the two new Police Officers would be \$220,000 per year, or \$440,000 for the biennium. The City has resources for the first year of the biennium but require a funding source for the second year and long term.

## **Suggested Next Steps:**

Staff is seeking direction on the next steps to fund the two currently authorized unfunded Police Officer Positions.

## **Policies, Plans and Goals Supported:**

- 24.2 Decrease tracked quality of life calls in the downtown area
- 24.3 Continue clearance rate of at least 30 % for all crimes in the city-wide
- 24.4 Maintain and reduce crime rates city-wide
- 24.6 Monitor and evaluate SRO program to ensure it is meeting the needs of the school district and the city
- 24.7 Review, report on, and seek continuous improvement where possible on response to times to calls for service

**Background and Additional Information:**

The Council authorized the hiring of five new Police Officers in March. The authorization started the recruitment process with the intent to develop funding mechanism at a later meeting date.

The five new Police Officers would increase the staffing level of each shift by one Police Officer and an additional Police Officer to serve as the School Resource Officer. The increased Police staffing has been discussed at length. For more background on the need for increased staffing please see the April 4th Council Communication.

The Police Department has re-evaluated their staffing options and reassigned one Police Officer from being engaged with regional partnership to patrol. With this change in staffing deployment, the Police Department requests only four additional Police Officer to accomplish the goal of increased patrol strength and the school resource program.

On June 20<sup>th</sup> the Council voted to increase the Property Tax rate 4.5 cents per \$1,000 of assessed valuation to fund one Police Officer. In July the Council passed a resolution to create a Public Safety Support Fee of 50 cents, along with the State Marijuana Tax receipts, to fund another officer.

On October 16<sup>th</sup> the Council held a Work Session to review all potential General Fund revenue sources. At that time more information on each option was requested for a later meeting. Staff has researched each option more closely.

Transient Occupancy Tax Increase: The 1% TOT increase would fund an additional Police Officer. The current rate of 9% is similar to other municipalities in the area and state. A 1% increase would place Ashland slightly above the average rate of 9% but below Portland's combined rate and Bend's 10.4%. TOT law requires that 5% remain with the provider to administer the program. The remaining amount must be split 70% for tourism promotion or infrastructure with 30% unrestricted. If a TOT increase was adopted, staff is recommending that the 70% restricted be set aside for Parking Supply projects in the future, or implementation of components of the Parking Management Plan. If Council prefers the TOT increase, staff is recommending that a discussion with the Chamber of Commerce, Visitor and Convention Board, Bed and Breakfast Network and OSF be held prior to adoption in February.

Public Safety Support Fee Increase: The City currently funds a Police Officer partially from a \$0.50 per month Public Safety Support Fee along with State Marijuana Tax revenue. An increase of \$1 per month on electric meters would fund an additional Police Officer. If Council was to adopt the Public Safety Support Fee increase, staff recommends that it be tied to our Property Tax collections. Staff proposes, that for any Property Tax collection above 1% of budget, that the additional amount be used to offset the Police Officer Costs (thus lowering the Public Safety Support Fee) and to increase the Reserve Fund for future PERS increase on a 50/50 distribution.

Live Entertainment Ticket Tax: A potential surcharge on the ticket sales of large live entertainment. It is estimated that a 1% tax would generate more than \$200,000 per year, or roughly 2 Police Officers. The large live entertainment venues benefit from improved Police

staffing downtown. The large venues provide a large economic impact for the City and staff would recommend that if this tax was preferred that all impacted venues be involved in discussions on how to mitigate potential decreased ticket sales.

FY 2018/19 Property Tax Increase: The increased property tax for FY 2017/18 funded one new Police Officer. The property tax rate is currently below the maximum limit and a similar increase for FY 2018/19 (beginning July 1, 2018) would fund another Police Officer.

Parking Meter Fees: The Council accepted the Parking Management Plan. A portion of the Plan proposes implementing paid parking in the Downtown area. Staff analyzed the possibility of implementing a paid parking lot program. The paid parking lots would generate around \$75,000 a year and with the cost of infrastructure would net around \$25,000. Staff recommends that we do not implement a paid parking lot model at this time but continue working towards implementation of the parking management plan in a proper and timely manner.

Local Gas Tax: Council did not provide support for further study of this option.

#### Expenditures:

The General Fund is limited in available expenditure reductions. The three main Departments are; Police, Fire and Community Development. If Council provides direction that the two additional Police Officers should be funded with reduction to General Fund expenditures, then staff will develop a list of potential reductions for further discussion.

#### Current Recruitment Status

One new Police Officer has been hired and another will be hired before the end of December. The Police Department has another potential Police Officer that has passed background and is awaiting funding before final hire. The last Police Officers has been identified and in background. If funding is identified at this meeting they can start within a month or two.

#### Recommendation for Discussion

There remain two authorized unfunded Police Officer positions. Staff has analyzed the current budget and do not feel there is any way to cut current budgets to fund the new Police Officers without impacting service levels. Staff has also analyzed all potential revenue options and want to ensure that any new fees paid for by residents are warranted and at least means possible.

If Council still wishes to proceed with hiring the two unfunded Police Officers, staff is recommending an increase to the Public Safety Support Fee by \$2/month on electric meters. As discussed earlier, the Public Safety Support Fee will be adjusted on a semi-annual basis depending on Property Tax collection above budget.

#### Attachments:

None