



TO: Mayor and Council

FROM: Tom Crawford, CFO
Mike Kennedy, Fire Chief
Karen Lancaster, Finance Director
Howard S. Lazarus, City Administrator

SUBJECT: FY20-21 Budget: Fire

DATE: March 1, 2019

Question #11: In the discussions on fire stations and station Master Plan, it seemed to me that the focus is on replacement and renovation at existing stations rather than new and/or re-located stations. I certainly understand that new stations (or re-locations) would be expensive, but it just seems to me that we need a long-term plan to do that or we won't make any substantive progress on response times. Can you please speak to that including whether we will be working in the near term on specific plans for new/re-located stations and potential funding sources? (Councilmember Lumm)

Response: The recommendation from the most recent fire station master plan is to maintain five fire stations. This current model of five fire stations allows for an approximate citywide travel time of under six-minutes. This model is also forecast to be fiscally sustainable for personnel and operational costs. Computer models of response times show that if we wanted to add a sixth station, all of the other stations would need to be moved to maximize the value of this additional station. There is no single spot where an additional station could be added to solve citywide response times.

For each sub-station, architects recommend to have two acres of land. Based on recent land sales, costs per acre can be as much as \$1 million. Construction for each new station is estimated at \$4 - \$4.5 million. Thus, a new station with land could be \$6.5 million. Personnel, utilities, and other operational costs for each sub-station are approximately \$1.85 million annually. A new apparatus for this station would cost \$600,000.

We have three current fire stations that need replacement: 3 west side, 4 east side, and 5 north side. Ideally, these need replacement before any new stations should be considered. Total construction costs without land acquisition could total \$13.5 million.

We are looking at the sale of old fire station 2 along with requesting that U-M fund a new fire station 5 on the City's north side as potential funding sources. Current federal government fire service grants cannot be used for fire station construction. The general fund will have to fund the majority of construction costs.

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TO: Mayor and Council

FROM: Jackie Beaudry, City Clerk
Tom Crawford, CFO
Karen Lancaster, Finance Director
Howard S. Lazarus, City Administrator

SUBJECT: FY20-21 Budget: Medical Marijuana Revenue

DATE: March 1, 2019

Question #19: I understand the medical marijuana permit revenue referenced (\$80K) is just a conservative placeholder, but is the \$80K directionally right or could it be twice that or more? Also, how will the legality of recreational marijuana impact the revenues/fees down the road (if at all)? (Councilmember Lumm)

Response: The \$80,000 estimate is based on the revenues that have been collected by the City over the last fiscal year and that are anticipated to be renewed again for the upcoming year. The number does not include any State-shared revenue from sales taxes, as it is not known at this time when the State will begin collecting taxes from the newly licensed businesses or when that will be shared with the City. Recreational marijuana is not projected at this time to impact the fees collected for medical marijuana permits. At this time there is not a State or local process in place for licensing or permitting recreational facilities.



TO: Mayor and Council

FROM: Tom Crawford, CFO
Derek Delacourt, Community Services Area Administrator
Karen Lancaster, Finance Director
Howard S. Lazarus, City Administrator
Colin Smith, Parks & Recreation Manager

SUBJECT: FY20-21 Budget: Community Services/Parks

DATE: March 1, 2019

Question #12: On the Parks budget impact sheets, fee increases for day camps, ice rink rental, and junior golf camp are listed. Is that it for the proposed parks-related fee increases in FY20? (Councilmember Lumm)

Response: There will also be a fee increase proposal for drop-in hockey at Buhr Ice Arena.

Question #13: In speaking to the added FTE for a second Parks Planner, Derek talked about an increased level of capital spending in Parks as the driver. That was a bit surprising to hear as the millage hasn't changed and to my knowledge, we've been spending the money each year (not built up big fund balance). Can you please elaborate on the spending comment and the need for this second Parks Planner? (Councilmember Lumm)

Response: It is true that the millage rate has not changed, however the revenue recognized from the millage has grown as property values have. For example in FY09, millage revenue was \$5.26 million compared to \$5.8 million in FY19. As such, the actual funds available for capital have grown. Another reason for the increase in capital monies is that when Park Operations returned to Parks & Recreation there were opportunities for adjustments in how work was performed that made available more funding for capital needs.

Parks is often approached by organizations wishing to partner on capital improvements. Such collaborations have made a number of projects possible from

a funding perspective, such as the Rotary Playground. However, projects that are highly collaborative and have multiple funding partners take longer to manage. Having a second planner would allow for the potential of more collaborative projects. Another planner would also enable Parks to apply for a greater amount of grants. Many grant applications and their administration are especially time consuming and with only one planner, it is difficult to manage multiple grants. Successful grant applications could easily off set the added cost of an additional planner. Over the last ten years, grants and donation dollars exceeded the cost of the park planner position over the same time period.

At present, the Park Planner is involved in approximately 10 - 15 projects. They vary in funding size, but all require time and attention. In order to continue to be timely in our response to partnership opportunities and grant applications a second planner is needed. Lastly, from a historical perspective, prior to FY08, Parks always had at least two park planners on staff. During the economic downturn, we were not able to fill this position. Since that time, our need for capital improvements, our partnership opportunities, and grants as well as our numbers of parks have grown to more than one planner can manage.



TO: Mayor and Council

FROM: Tom Crawford, CFO
Karen Lancaster, Finance Director
Howard S. Lazarus, City Administrator
Robert Pfannes, Interim Police Chief

SUBJECT: FY20-21 Budget: Police

DATE: March 1, 2019

Question #10: In discussing the Police cadet program, it was mentioned these 2 FTE's would free-up officers for patrol. Can you please confirm that and provide any detail that's available on free patrol hours planned for FY20 vs. actual hours for FY17, FY18 and forecast for FY19? (Councilmember Lumm)

Response: The Police Department staffs the police front desk 24 hours a day, 7 days a week. Currently, Police Service Specialists (PSS's) supplement the sworn police staffing at the desk during the day and provide a variety of administrative support to the department. They are hired under a different set of standards than is required of police officers.

The PSS Cadets are different in that they desire to eventually become police officers and must pass the physical and psychological police testing. They will work in the evenings and provide desk coverage and other assistance to officers. Their coverage of the desk will free up sworn patrol officers to be assigned to regular road patrol duties.

In looking at that data for the past few years (2014-2017) we have been steadily going down in the percentage of time we spend on unassigned proactive patrolling time (38%-27%). Conversely, our percent time on dispatched assignments has steadily gone up over the same period of time (28% to 33%). This means that over the past 5 years we have been spending an increased amount of our time responding to calls for service, at the expense of proactive patrolling time (either we are getting busier or are understaffed on patrol).

We are in the process of exploring new (and revisiting old) ways of being able to increase our officers ability to spend more time being proactive in the community. The PSS cadet program will allow us to reallocate patrol officers from the desk to vehicle patrol. Our Beat officer program is based on the concept that these officers are spending most of their time proactively patrolling downtown.