
Boise Police Department

Budget Office Report

This report summarizes a due diligence review with departments of line item compliance with budget guidelines. The departments have submitted revised budget amounts based upon negotiations between the department and the Budget Office.

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Police

Total Dollars (000's)	FY 2002a	FY2003r	FY 2004b	FY 2005b
Total Revenues	\$3,022	\$3,435	\$2,397	\$2,394
Total Expenditures	\$28,873	\$30,144	\$30,792	\$31,091
NET TAX SUPPORT	\$25,851	\$26,709	\$28,395	\$28,697

Revenues

Revenues fluctuate from year to year primarily due to grant funding. Grants have been a considerable funding source for the department ranging from \$300,000 to \$700,000 per year. There are no grants committed in FY 2004 or 2005; however, some are likely.

Revenues (000's)	FY 2002a	FY2003r	FY 2004b	FY 2005b
Fines & Forfeitures	\$1,964	\$2,142	\$2,175	\$2,175
Grant Revenues (Bandit included)	\$754	\$1,013	\$4	\$4
Other Revenues	\$303	\$280	\$218	\$215
TOTAL REVENUES	\$3,022	\$3,435	\$2,397	\$2,394
% Change	5.0%	13.7%	-30.2%	0.1%

Key Revenue Accounts

- 1) The budgeted amount for traffic fines, the largest contributor to "Fines and Forfeitures", for FY 2004 and 2005 is based on a projected population growth and average citation fine. However, the average revenue per citation has decreased.

Fiscal Year	# Citations	Revenue	Rev/citation
1999	38,918	\$1,880,954	\$48
2000	36,946	\$1,825,895	\$49
2001	50,539	\$1,949,416	\$39
2002	48,639	\$1,905,081	\$39

There are many variables that impact citation revenue such as population growth, number of traffic officers, types of citations, and court activities. A greater understanding of the magnitude of the different variables is recommended.

Another revenue component of "Fines and Forfeitures" is false alarms. Police charge residents and businesses when they must respond to false alarms (according to a schedule). There has been a decline of revenue over the past few years, which is believed to be due to public education on proper alarm use, thus reducing the number of calls.

- 2) Grants have historically been the second largest revenue source to support new or enhanced programs, such as the Highway Safety and COPS grants that have funded salaries for new positions, special training programs, and equipment.
- 3) Other notable revenue items include:
 - ✓ Beginning in FY 2003, Ada County opened its own crime lab. Therefore, the City will loose approximately \$20,000 in lab contract revenue. The revenue helped offset overtime and other operational costs. However, there continues to be high demands of the crime lab and costs are not projected to decrease.

- ✓ Reimbursement for School Resource Officers has decreased by about \$5,000 from FY 2001 due to limited school budgets. Continued tightening of school budgets and the impact of Micron valuation and the lawsuit is projected to decrease this revenue source.
- ✓ Although the department has budgeted for reimbursement of overtime costs from the Boise River Festival (\$65,000), the future of the festival is highly speculative. This revenue offsets overtime costs. Therefore, if the festival discontinues then the associated overtime costs are not anticipated.

Recommendation

- An in-depth study of the “life of a traffic citation” to determine where loss in citation revenue occurs and what can be done about it.

Personnel Costs

The Police Department has 338.63 approved FTE's as of May 2003 – 338.15 regular, permanent FTE's and a .48 non-regular, part-time FTE associated with the Meridian prosecutory contract. The non-regular position will be reinstated if the contract is renewed in FY 2004 and 2005. The total personnel budget for FY 2004 is \$24,433,074 and for FY 2005 is \$24,607,900. The current union contract will expire on March 31, 2004. The potential budget impact of the renegotiated contract is not reflected in the budget except for the contingency for compensation.

Police increased by 9.48 approved FTE's in FY 2003 – 5 transferred from Legal for consolidation of the Victim Witness program, 2 transferred from MIS under the IT reorganization, 2 new traffic officers approved during the FY 2002/2003 budget process, and .48 added under the Meridian prosecutory contract.

The budget does not reflect the 5 “over-hire” officers, either in FTE count or funding. City Council approved (February 2003) of addition of 5 non-regular positions in the Police Department, funded within the total approved Police Department budget, for the purpose of hiring police officers in advance of vacancies in order to achieve identified City and departmental strategic objectives.

Personnel (000's)	FY 2002a	FY2003r	FY 2004b	FY 2005b
Salaries	\$14,827	\$16,112	\$16,478	\$16,620
Overtime	\$1,547	\$1,225	\$1,216	\$1,216
Health	\$2,187	\$2,340	\$2,909	\$2,901
Other Personnel Costs	\$3,884	\$3,826	\$3,829	\$3,857
TOTAL PERSONNEL	\$22,445	\$23,503	\$24,432	\$24,594
% Change	8.1%	4.7%	4.0%	0.7%
FTE's	329.15	338.63	338.15	338.15

Key Personnel Accounts

Police overtime and health costs are the most significant areas of concern. Since assuming management of the court penalty overtime program in FY 2002 from Legal, the Police Department projects \$112,000 for FY 2004 and 2005 – a \$63,000 reduction from the \$175,000 budgeted in FY 2003. In conjunction, the department also projects court overtime to be \$110,000 in FY 2004 and 2005, down \$60,000 from the FY 2003 budget amount of \$170,000.

- 1) Overtime – Overtime, as a percentage of salaries, has increased in last 4 years - 7.6% in FY 1999, 8.4% in FY 2000, 9.3% in FY 2001, and over 10.4% in FY 2002. Although there have been unusual circumstances in each of these years (9/11, the Governor's conference, and several high profile cases) the trend is costly
- 2) Health – The budget reflects a 24% increase (over \$569,000) in FY 2004 over FY 2003 due to the unions maintaining their current elections versus converting to the PPO.

3) Other notes:

- ✓ New life and long-term disability plan effective May 2003 results in annual savings of about \$37,000.
- ✓ The cost impact of retiring officers fluctuates from year to year. The total sick leave buyouts for FY 2001 and FY 2002 equaled \$87,533 and \$173,764, respectively. A minimum cost estimate, based on known retirements, is \$165,000 in FY 2004 and \$150,000 in FY 2005 (these are budgeted in Intergovernmental). However, the potential impact of retiring officers in FY 2004 could be \$368,000 (if all retired when eligible) and \$47,000.
- ✓ Compensatory time buyback, a contract obligation to pay officers for unused comp time at the end of the fiscal year, has been increasing in concert with overtime. FY 2001 actual = \$253,000. FY 2002 actual = \$298,000.

Recommendation

- Review overtime to determine where it is used and if savings can be achieved by adding staff.
- Health – convert union members to new plan.

M&O

Police M&O budget for FY 2004 and FY 2005 is within the negotiated targets.

Total M&O for FY 2004 and FY 2005 is \$5,370,284 and \$5,391,075, respectively. This represents an approximate 4.8% increase over FY 2002 actual and 8.7% increase over FY 2003 revised budget. Certain accounts such as motor fuels and utilities fluctuate from year to year depending on the market price. An adjusted historical level was the basis for the budget of these cost accounts, with consideration given for additional substations.

M&O (000's)	FY 2002a	FY2003r	FY 2004b	FY 2005b
Minor Equipment	\$185	\$155	\$164	\$159
Uniforms/Clothing	\$237	\$246	\$248	\$248
Professional Services	\$102	\$106	\$100	\$100
Cell Phones	\$144	\$118	\$148	\$148
Travel/mtgs	\$126	\$139	\$113	\$113
Training	\$63	\$47	\$69	\$69
Frame Relay	\$24	\$0	\$25	\$25
Parking (Courthouse)	\$0	\$0	\$8	\$8
Office Lease (all accounts)	\$303	\$280	\$313	\$313
Ada Co. Records Contract (all)	\$1,345	\$1,350	\$1,427	\$1,422
Auto Repair (Shop & outside)	\$623	\$500	\$596	\$596
Computer Service	\$259	\$157	\$237	\$237
Other M&O Accounts	\$1,712	\$1,843	\$1,922	\$2,008
TOTAL M&O	\$5,123	\$4,941	\$5,370	\$5,446
% Change	1.7%	-3.6%	8.7%	1.4%

Key M&O Accounts

- 1) Minor equipment is primarily used to equip newly hired officers and provide replacement of smaller equipment items such as handcuffs and holsters. FY 2001 and FY 2002 were higher than normal as the department began equipping officers with non-lethal weapons such as taser guns in addition to their routine equipment.
- 1) Uniforms/clothing – There is a near \$11,000 increase in the budget due to the increased number of officers and specialty teams (8 new officers in FY 2002 plus the approval to over staff by 5). The city is contractually obligated to provide a uniform allowance to all officers and provide care of those uniforms. All officers receive 120 dry cleaning “tickets” per year for the care of their uniforms. Several officers used other vendors for convenience. Then in FY 2003, the department rebid the dry-cleaning contract. The department projects the more officers will use their tickets with the new vendor, thus increasing the city’s cost.
- 2) Professional Services – This provides for psychological evaluations of incoming officers, psychological assistant to officers of critical incidents, DUI blood draws (this cost increased from \$38 to \$100 for each draw beginning in FY 2003), translators, annual physical exams for the bomb and EOD units, and exams for victim witnesses and child abuse victims (CARES exams for children have had significant increases). There have been cost increases associated with all of these services.
- 3) Cell phones – All officers have the use of a cell phone as approved by City Council in the interim FY 2003 budget process. The department reports this to be a very successful program. A few examples of the benefits include allowing citizens to directly contact neighborhood officers and saving the officers travel time to and from police headquarters to make reports (they are now able to call in many reports). All uniform officers are contracted with Cricket and detectives are contracted with Nextel.
- 4) Travel/training – This accounts for new officer training and required continued education of other officers. The costs may fluctuate from year to year depending on the type of training, the location, and the number of officers to be trained.
- 5) Frame relay – In FY 2002, the city installed T-1 lines to provide connectivity from Barrister to the growing number of substations. This cost is a base item in the FY 2004 and 2005 budgets.
- 6) Parking – Police are required to pay for parking at the new Ada County courthouse. This cost is a base item in the FY 2004 and FY 2005 budgets.
- 7) Office space – The police have increased the amount of leased space to relieve overcrowding at Barrister. The budget reflects an approximate 3.5% increase in the annual lease contracts from FY 2002 actual.
- 8) Ada County records contract – The FY 2004 budget reflects increased costs due to \$2,000 custodial contract increase, \$30,000 electrical cost increase (because it is based on actual costs from April 2002 through May 2003), emergency generator repair of \$1,000, telephone system maintenance increase of \$4,000, building repairs and upgrades of about \$66,000. For FY 2005, the contract is based on a 5% increase for the County’s overall plan to increase clerical staff wages and a 3% increase for evidence staff. The upgrade and repair costs in FY 2004 are one-time and are not part of the FY 2005 budget.
- 9) Auto repair – This cost fluctuates from year to year depending on variables such as age and number of vehicles, type of equipment, and number of accidents. City Shop has had annual rate increases and revised rate schedules. The latest change was in FY 2003 that increased the hourly labor rate from \$52.50 to \$60.00 and reduced the price of oil changes from about \$50 to \$25. However, police vehicles are exempt from the oil change price reduction due to the additional vehicle inspections provided. Also, in FY 2003, it was mandated that all departments utilize city shop versus outside vendors.
- 10) Computer Service – In FY 2003, there were 2 FTE’s transferred from IT (MIS) to police. This reduced the computer services costs and increased personnel costs. The FY 2004 and 2005 computer service costs reflect the accounting change implemented as a result of the reorganization.

Equipment

The largest equipment categories for Police are computers and vehicles. Police have benefited in the past from grant funding, Title 31 funding, CDBG awards, and use of EOY turnback moneys to purchase equipment.

Equipment (000's)	FY 2002a	FY2003r	FY 2004b	FY 2005b
Computers	\$71	\$506	\$225	\$162
Auto Equipment	\$796	\$684	\$522	\$568
Other Equipment	\$437	\$490	\$243	\$319
TOTAL EQUIPMENT	\$1,304	\$1,680	\$990	\$1,049
% Change	7.9%	23.9%	-41.1%	6.0%

Police have implemented a new replacement process for non-narcotic unmarked vehicles to help lower replacement costs, decrease maintenance and setup costs, and prevent equipment “bubbles”.

Narcotics vehicles are replaced every other year to help prevent detection. The department estimated the resale of newer vehicles to offset the cost of the rotation plan. The average resale revenue is about \$10,000. Non-narcotic unmarked vehicles are scheduled for replacement at 80,000 miles or 8 years, and at the auction they sell for approximately \$1,000 to \$2,000. However, the cost of maintaining much older non-narcotic unmarked vehicles increases every year. The department is going to pilot a program that moves a narcotic vehicle into the non-narcotic unmarked fleet and kick out an older model to the auction. Therefore, in FY04/05 they budgeted for fewer replacements of general assignment unmarked vehicles, and will instead use the narcotic surplus vehicles. This practice is estimated to save shop set up costs due to the similar communication configuration between narcotics and general assignment detectives.

CONCLUSION

Key issues:

- ✓ The decline of traffic fine revenue on a per citation basis.
- ✓ The financial impact of increased calls per service on staff workload – i.e. overtime.
- ✓ Healthcare costs for union members.