



**SOUTH LAKE MINNETONKA
POLICE DEPARTMENT**

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SOUTH LAKE MINNETONKA POLICE DEPARTMENT

COORDINATING COMMITTEE

BUDGET WORK SESSION AGENDA

WEDNESDAY, JULY 8, 2015

5:00 P.M.

1. Convene Work Session
2. 2016 Operating Budget
3. Other Business
4. Adjournment

SOUTH LAKE MINNETONKA POLICE DEPARTMENT

M-E-M-O-R-A-N-D-U-M

TO: Coordinating Committee
FROM: Mike Siitari, Chief of Police
DATE: June 25, 2015
RE: 2016 Budget Proposal

The 2016 budget proposal presented has two options – a 6.1% increase with an additional patrol officer and a 2.8% increase without the additional officer. I initially had hopes of presenting a budget proposal under 3%, that included the additional officer, but there are two issues that have dashed any hopes of that: insurance costs and technology. The past practice of funding insurance and technology increases with the previous year's surplus will not be able to keep pace with rising insurance costs and technology needs. There is also a disability appeal that may affect the fund balance in a negative way, depending on the outcome.

I found no significant reserves or “cushions” in the 2015 budget. There were a few small contingencies that I have eliminated and personnel restructuring will add an officer to the patrol schedule and move a part-time administrative position to full-time status. The two significant budget changes are the increases in the Insurance account and the Undesignated Allocation.

Revenue changes

40110 Court Overtime - \$3,000 increase to reflect actual revenue for billed hours. This has a zero net effect because the increased expenses match the revenue.

42100 Police State Aid – the recovering economy resulted in an \$8,000 increase in state aid for 2014, which is forecast to hold steady at that level.

43400 Special Policing Details – revenue drops significantly, \$18,800, due to BAR COP and Excelsior Brewing no longer using off duty officers. This is a zero sum change since expenses drop the same amount. If either detail is reinstated costs will match revenue. The revenue includes a \$10/hr increase in the off-duty rate to help offset staff planning time and use of equipment (squads and radios).

46500 Grant Reimbursements – Toward Zero Deaths (TZD) and the Public Safety Officer Disability Benefit are projected to increase for 2016.

46600 Other Reimbursements – adjusted to reflect actual revenue from animal impound fees.

Expense changes

50100 Full time salaries – includes the upgrade of the part-time administrative support position to full-time and a reduction in the Support Services Manager salary. No wage increase has been factored into the salaries, only step increases.

50200 General Overtime – reduced in the additional officer scenario, increased \$10,000 in the no additional officer scenario.

50320 Reimbursed Overtime - reduction due to BAR COP and other details.

50300 Part-time Salaries - \$39,800 reduction due to administrative support position moved to full-time.

51000 Contracted Services - \$2,400 increase to reflect actual costs for legal, medical and payroll services.

52100 Equipment Leases - \$2,700 increase to reflect additional ongoing costs for the new card access system and lease increases.

54500 Training & Conferences – no increase with the additional officer. \$2,000 increase under the no additional officer scenario. This is an underfunded account but remains static to facilitate an additional officer in that scenario.

56000 Insurance - \$47,600 increase to reflect actual costs. Actual costs for 2015 are estimated at \$98,000 with a budget of \$56,000. A one-time transfer of \$57,000 from the 2013 surplus will allow SLMPD to cover this year's cost but will almost exhaust the account to start 2016.

5700 Special Projects – the annual dues for the Drug Task Force have been reduced by 50% (\$4,200) and there will be no transfer to the Reserve Officer fund for 2016.

5900 – Undesignated Allocation \$50,700 – there are several unknowns in the budget that dictate the significant allocation to this fund. The union contract expires this year; technology costs have been increasing and a potential financial settlement will not be resolved until later this year.

I have not addressed the need for a funded capital plan. The department can get by with the current system of using surplus budget funds to address shortfalls but there will be problems in 2-5 years. I have spent down the 2014 surplus on needed technology, ie. server, access control and audio/video system, which address the immediate needs. Squad laptops, video cameras, lidars and defibrillators are items that have no specific funding allocated and will need to be replaced in the future. I did consider reallocating Capital Outlay funds from the Vehicle fund to the Technology fund to address the long term needs but the vehicle costs for 2016 are a bit of a moving target. The Vehicle fund is currently well funded because no vehicles have been replaced in 2015. Depending on actual 2016 vehicle costs a funding reallocation may be possible.

SLMPD BUDGET

	2014 Actual	2015 Budget	2016 Budget With Add'l Officer	2016 Budget No Add'l Officer	% Chg	% Chg
Income						
40101 · Excelsior	\$ 603,172.00	\$ 619,134.00	\$ 656,641.00	\$ 636,190.00	6.06%	2.75%
40102 · Greenwood	\$ 182,215.00	\$ 187,037.00	\$ 198,367.00	\$ 192,189.00	6.06%	2.75%
40103 · Shorewood	\$1,042,556.00	\$1,070,145.00	\$1,134,975.00	\$1,099,627.00	6.06%	2.75%
40104 · Tonka Bay	\$ 322,157.00	\$ 330,684.00	\$ 350,717.00	\$ 339,794.00	6.06%	2.75%
40110 · Court Overtime	\$ 12,351.00	\$ 5,000.00	\$ 8,000.00	\$ 8,000.00	60.00%	60.00%
40120 · Excelsior Park and Dock Patrol	\$ 12,062.00	\$ 21,500.00	\$ 21,500.00	\$ 21,500.00	0.00%	0.00%
42100 · State Police Officer Aid	\$ 104,561.00	\$ 96,000.00	\$ 104,000.00	\$ 104,000.00	8.33%	8.33%
42200 · State Training Reimbursement	\$ 4,505.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	0.00%	0.00%
43100 · Minnetonka School District	\$ 6,838.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	0.00%	0.00%
43200 · Administrative Requests	\$ 5,754.00	\$ 4,000.00	\$ 5,000.00	\$ 5,000.00	25.00%	25.00%
43400 · Special Policing Details	\$ 44,503.00	\$ 48,400.00	\$ 29,600.00	\$ 29,600.00	-38.84%	-38.84%
44000 · Investment Income	\$ 3,493.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	0.00%	0.00%
46400 · Forfeitures	\$ 1,257.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	0.00%	0.00%
46500 · Grant Reimbursements	\$ 29,034.00	\$ 25,000.00	\$ 33,000.00	\$ 33,000.00	32.00%	32.00%
46600 · Other Reimbursements	\$ 830.00	\$ 3,000.00	\$ 1,500.00	\$ 1,500.00	-50.00%	-50.00%
Total Income	\$2,375,288.00	\$2,428,400.00	\$ 2,561,800.00	\$ 2,488,900.00	5.49%	2.49%
Expense						
50100 - Full-Time Salaries	\$1,249,094.00	\$1,298,700.00	\$ 1,382,100.00	\$ 1,322,100.00	6.42%	1.80%
50200 - General Overtime	\$ 31,628.00	\$ 37,900.00	\$ 36,000.00	\$ 46,000.00	-5.01%	21.37%
50230 - Reimbursed Overtime	\$ 65,341.00	\$ 59,500.00	\$ 45,900.00	\$ 45,900.00	-22.86%	-22.86%
50300 - Part-Time Salaries	\$ 80,189.00	\$ 99,100.00	\$ 59,300.00	\$ 59,300.00	-40.16%	-40.16%
50500 · Social Security & Medicare	\$ 29,417.00	\$ 31,200.00	\$ 33,100.00	\$ 32,200.00	6.09%	3.21%
50600 · PERA Pensions	\$ 197,243.00	\$ 221,800.00	\$ 226,500.00	\$ 216,800.00	2.12%	-2.25%
50700 · Insurance Benefits	\$ 224,717.00	\$ 243,500.00	\$ 249,000.00	\$ 235,200.00	2.26%	-3.41%
51000 · Contracted Services	\$ 20,050.00	\$ 22,900.00	\$ 25,300.00	\$ 25,300.00	10.48%	10.48%
52100 · Equipment Leases	\$ 34,893.00	\$ 34,300.00	\$ 37,000.00	\$ 37,000.00	7.87%	7.87%
52200 · Repairs and Maintenance	\$ 54,144.00	\$ 49,800.00	\$ 47,000.00	\$ 47,000.00	-5.62%	-5.62%
52300 · Utilities	\$ 60,352.00	\$ 64,400.00	\$ 63,400.00	\$ 63,400.00	-1.55%	-1.55%
52400 · Janitorial & Cleaning	\$ 9,977.00	\$ 11,300.00	\$ 10,500.00	\$ 10,500.00	-7.08%	-7.08%
52500 · Printing & Publishing	\$ 1,484.00	\$ 3,200.00	\$ 2,500.00	\$ 2,500.00	-21.88%	-21.88%
53000 · Supplies	\$ 78,226.00	\$ 77,200.00	\$ 77,200.00	\$ 77,200.00	0.00%	0.00%
54000 · Uniforms & Gear	\$ 12,737.00	\$ 14,800.00	\$ 14,800.00	\$ 14,800.00	0.00%	0.00%
54500 · Training & Conferences	\$ 15,166.00	\$ 15,000.00	\$ 15,000.00	\$ 17,000.00	0.00%	13.33%
56000 · Insurance	\$ 56,000.00	\$ 56,000.00	\$ 103,600.00	\$ 103,600.00	85.00%	85.00%
56100 · Subscriptions & Memberships	\$ 3,254.00	\$ 3,200.00	\$ 3,000.00	\$ 3,000.00	-6.25%	-6.25%
57000 · Special Projects	\$ 14,410.00	\$ 12,600.00	\$ 7,900.00	\$ 7,900.00	-37.30%	-37.30%
58000 · Capital Outlay	\$ 72,000.00	\$ 72,000.00	\$ 72,000.00	\$ 72,000.00	0.00%	0.00%
59000 - Undesignated Allocation	\$ -	\$ -	\$ 50,700.00	\$ 50,200.00	#DIV/0!	#DIV/0!
Total Expense	\$2,310,322.00	\$2,428,400.00	\$ 2,561,800.00	\$ 2,488,900.00	5.49%	2.49%
Revenue Over Expenditures	\$ 64,966.00					

**South Lake Minnetonka Police Department
Proposed 2016 Budgets**

	<u>2015 Budget</u>	<u>2016 Budget With Add'l Officer</u>	<u>2016 Budget No Add'l Officer</u>
Income			
40101 - Excelsior	\$ 619,134.00	\$ 656,641.00	\$ 636,190.00
40102 - Greenwood	\$ 187,037.00	\$ 198,367.00	\$ 192,189.00
40103 - Shorewood	\$ 1,070,145.00	\$ 1,134,975.00	\$ 1,099,627.00
40104 - Tonka Bay	\$ 330,684.00	\$ 350,717.00	\$ 339,794.00
40110 - Court Overtime	\$ 5,000.00	\$ 8,000.00	\$ 8,000.00
40120 - Excelsior Park and Dock Patrol	\$ 21,500.00	\$ 21,500.00	\$ 21,500.00
42100 - State Police Officer Aid	\$ 96,000.00	\$ 104,000.00	\$ 104,000.00
42200 - State Training Reimbursement	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
43100 - Minnetonka School District	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
43200 - Administrative Requests	\$ 4,000.00	\$ 5,000.00	\$ 5,000.00
43400 - Special Policing Details	\$ 48,400.00	\$ 29,600.00	\$ 29,600.00
44000 - Investment Income	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
46400 - Forfeitures	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
46500 - Grant Reimbursements	\$ 25,000.00	\$ 33,000.00	\$ 33,000.00
46600 - Other Reimbursements	\$ 3,000.00	\$ 1,500.00	\$ 1,500.00
Total Income	<u>\$2,428,400.00</u>	<u>\$ 2,561,800.00</u>	<u>\$ 2,488,900.00</u>
Expense			
50100 - Full-Time Salaries	\$ 1,298,700.00	\$ 1,382,100.00	\$ 1,322,100.00
50200 - General Overtime	\$ 37,900.00	\$ 36,000.00	\$ 46,000.00
50230 - Reimbursed Overtime	\$ 59,500.00	\$ 45,900.00	\$ 45,900.00
50300 - Part-Time Salaries	\$ 99,100.00	\$ 59,300.00	\$ 59,300.00
50500 - Social Security & Medicare	\$ 31,200.00	\$ 33,100.00	\$ 32,200.00
50600 - PERA Pensions	\$ 221,800.00	\$ 226,500.00	\$ 216,800.00
50700 - Insurance Benefits	\$ 243,500.00	\$ 249,000.00	\$ 235,200.00
51000 - Contracted Services	\$ 22,900.00	\$ 25,300.00	\$ 25,300.00
52100 - Equipment Leases	\$ 34,300.00	\$ 37,000.00	\$ 37,000.00
52200 - Repairs and Maintenance	\$ 49,800.00	\$ 47,000.00	\$ 47,000.00
52300 - Utilities	\$ 64,400.00	\$ 63,400.00	\$ 63,400.00
52400 - Janitorial & Cleaning	\$ 11,300.00	\$ 10,500.00	\$ 10,500.00
52500 - Printing & Publishing	\$ 3,200.00	\$ 2,500.00	\$ 2,500.00
53000 - Supplies	\$ 77,200.00	\$ 77,200.00	\$ 77,200.00
54000 - Uniforms & Gear	\$ 14,800.00	\$ 14,800.00	\$ 14,800.00
54500 - Training & Conferences	\$ 15,000.00	\$ 15,000.00	\$ 17,000.00
56000 - Insurance	\$ 56,000.00	\$ 103,600.00	\$ 103,600.00
56100 - Subscriptions & Memberships	\$ 3,200.00	\$ 3,000.00	\$ 3,000.00
57000 - Special Projects	\$ 12,600.00	\$ 7,900.00	\$ 7,900.00
58000 - Capital Outlay	\$ 72,000.00	\$ 72,000.00	\$ 72,000.00
59000 - Undesignated Allocation	\$ -	\$ 50,700.00	\$ 50,200.00
Total Expense	<u>\$2,428,400.00</u>	<u>\$ 2,561,800.00</u>	<u>\$ 2,488,900.00</u>

**South Lake Minnetonka Police Department
2016 Proposed Budget
With Additional Officer**

	<u>2016 Budget</u>	<u>2015 Budget</u>	<u>Variable %</u>
Income			
40101 · Excelsior	\$ 656,641.00	\$ 619,134.00	6.1%
40102 · Greenwood	\$ 198,367.00	\$ 187,037.00	6.1%
40103 · Shorewood	\$ 1,134,975.00	\$ 1,070,145.00	6.1%
40104 · Tonka Bay	\$ 350,717.00	\$ 330,684.00	6.1%
40110 · Court Overtime	\$ 8,000.00	\$ 5,000.00	60.0%
40120 · Excelsior Park and Dock Patrol	\$ 21,500.00	\$ 21,500.00	0.0%
42100 · State Police Officer Aid	\$ 104,000.00	\$ 96,000.00	8.3%
42200 · State Training Reimbursement	\$ 4,500.00	\$ 4,500.00	0.0%
43100 · Minnetonka School District	\$ 7,000.00	\$ 7,000.00	0.0%
43200 · Administrative Requests	\$ 5,000.00	\$ 4,000.00	25.0%
43400 · Special Policing Details	\$ 29,600.00	\$ 48,400.00	-38.8%
44000 · Investment Income	\$ 5,000.00	\$ 5,000.00	0.0%
46400 · Forfeitures	\$ 2,000.00	\$ 2,000.00	0.0%
46500 · Grant Reimbursements	\$ 33,000.00	\$ 25,000.00	32.0%
46600 · Other Reimbursements	\$ 1,500.00	\$ 3,000.00	-50.0%
Total Income	<u>\$ 2,561,800.00</u>	<u>\$ 2,428,400.00</u>	<u>5.5%</u>
Expense			
50100 - Full-Time Salaries	\$ 1,382,100.00	\$ 1,298,700.00	6.4%
50200 - General Overtime	\$ 36,000.00	\$ 37,900.00	-5.0%
50230 - Reimbursed Overtime	\$ 45,900.00	\$ 59,500.00	-22.9%
50300 - Part-Time Salaries	\$ 59,300.00	\$ 99,100.00	-40.2%
50500 · Social Security & Medicare	\$ 33,100.00	\$ 31,200.00	6.1%
50600 · PERA Pensions	\$ 226,500.00	\$ 221,800.00	2.1%
50700 · Insurance Benefits	\$ 249,000.00	\$ 243,500.00	2.3%
51000 · Contracted Services	\$ 25,300.00	\$ 22,900.00	10.5%
52100 · Equipment Leases	\$ 37,000.00	\$ 34,300.00	7.9%
52200 · Repairs and Maintenance	\$ 47,000.00	\$ 49,800.00	-5.6%
52300 · Utilities	\$ 63,400.00	\$ 64,400.00	-1.6%
52400 · Janitorial & Cleaning	\$ 10,500.00	\$ 11,300.00	-7.1%
52500 · Printing & Publishing	\$ 2,500.00	\$ 3,200.00	-21.9%
53000 · Supplies	\$ 77,200.00	\$ 77,200.00	0.0%
54000 · Uniforms & Gear	\$ 14,800.00	\$ 14,800.00	0.0%
54500 · Training & Conferences	\$ 15,000.00	\$ 15,000.00	0.0%
56000 · Insurance	\$ 103,600.00	\$ 56,000.00	85.0%
56100 · Subscriptions & Memberships	\$ 3,000.00	\$ 3,200.00	-6.3%
57000 · Special Projects	\$ 7,900.00	\$ 12,600.00	-37.3%
58000 · Capital Outlay	\$ 72,000.00	\$ 72,000.00	0.0%
59000 - Undesignated Allocation	\$ 50,700.00	\$ -	100.0%
Total Expense	<u>\$ 2,561,800.00</u>	<u>\$ 2,428,400.00</u>	<u>5.5%</u>

**South Lake Minnetonka Police Department
2016 Proposed Budget
Without Additional Officer**

	<u>2016 Budget</u>	<u>2015 Budget</u>	<u>Variable %</u>
Income			
40101 · Excelsior	\$ 636,190.00	\$ 619,134.00	2.8%
40102 · Greenwood	\$ 192,189.00	\$ 187,037.00	2.8%
40103 · Shorewood	\$ 1,099,627.00	\$ 1,070,145.00	2.8%
40104 · Tonka Bay	\$ 339,794.00	\$ 330,684.00	2.8%
40110 · Court Overtime	\$ 8,000.00	\$ 5,000.00	60.0%
40120 · Excelsior Park and Dock Patrol	\$ 21,500.00	\$ 21,500.00	0.0%
42100 · State Police Officer Aid	\$ 104,000.00	\$ 96,000.00	8.3%
42200 · State Training Reimbursement	\$ 4,500.00	\$ 4,500.00	0.0%
43100 · Minnetonka School District	\$ 7,000.00	\$ 7,000.00	0.0%
43200 · Administrative Requests	\$ 5,000.00	\$ 4,000.00	25.0%
43400 · Special Policing Details	\$ 29,600.00	\$ 48,400.00	-38.8%
44000 · Investment Income	\$ 5,000.00	\$ 5,000.00	0.0%
46400 · Forfeitures	\$ 2,000.00	\$ 2,000.00	0.0%
46500 · Grant Reimbursements	\$ 33,000.00	\$ 25,000.00	32.0%
46600 · Other Reimbursements	\$ 1,500.00	\$ 3,000.00	-50.0%
Total Income	<u>\$ 2,488,900.00</u>	<u>\$ 2,428,400.00</u>	<u>2.5%</u>
Expense			
50100 - Full-Time Salaries	\$ 1,322,100.00	\$ 1,298,700.00	1.8%
50200 - General Overtime	\$ 46,000.00	\$ 37,900.00	21.4%
50230 - Reimbursed Overtime	\$ 45,900.00	\$ 59,500.00	-22.9%
50300 - Part-Time Salaries	\$ 59,300.00	\$ 99,100.00	-40.2%
50500 · Social Security & Medicare	\$ 32,200.00	\$ 31,200.00	3.2%
50600 · PERA Pensions	\$ 216,800.00	\$ 221,800.00	-2.3%
50700 · Insurance Benefits	\$ 235,200.00	\$ 243,500.00	-3.4%
51000 · Contracted Services	\$ 25,300.00	\$ 22,900.00	10.5%
52100 · Equipment Leases	\$ 37,000.00	\$ 34,300.00	7.9%
52200 · Repairs and Maintenance	\$ 47,000.00	\$ 49,800.00	-5.6%
52300 · Utilities	\$ 63,400.00	\$ 64,400.00	-1.6%
52400 · Janitorial & Cleaning	\$ 10,500.00	\$ 11,300.00	-7.1%
52500 · Printing & Publishing	\$ 2,500.00	\$ 3,200.00	-21.9%
53000 · Supplies	\$ 77,200.00	\$ 77,200.00	0.0%
54000 · Uniforms & Gear	\$ 14,800.00	\$ 14,800.00	0.0%
54500 · Training & Conferences	\$ 17,000.00	\$ 15,000.00	13.3%
56000 · Insurance	\$ 103,600.00	\$ 56,000.00	85.0%
56100 · Subscriptions & Memberships	\$ 3,000.00	\$ 3,200.00	-6.3%
57000 · Special Projects	\$ 7,900.00	\$ 12,600.00	-37.3%
58000 · Capital Outlay	\$ 72,000.00	\$ 72,000.00	0.0%
59000 - Undesignated Allocation	\$ 50,200.00	\$ -	100.0%
Total Expense	<u>\$ 2,488,900.00</u>	<u>\$ 2,428,400.00</u>	<u>2.5%</u>