

STRATEGIC ACTION PLAN

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On Behalf of the Strategic Planning Group



Joint Meeting of City Councils

Excelsior, Greenwood, Shorewood and Tonka Bay

May 14, 2008

Building Collaboration

"Set your expectations high; find men and women whose integrity and values you respect; get their agreement on a course of action; and give them your ultimate trust."

John Akers

STRATEGIC PLANNING INITIATIVE

OVERVIEW

Strategic planning has increasingly become part of the organizational fiber of the South Lake Minnetonka Police Department (SLMPD). Over the past ten years its significance as part of the annual budgetary process has expanded considerably. It was the impetus behind the vision of a new public safety facility becoming a reality toward the latter part of 2003. Because of this foresight, the long-term facility needs of the SLMPD have been met for decades to come.

There was a pause in long-range planning while the SLMPD member cities came to terms over the formula used for funding annual operations. This point of contention persisted for several years and was ultimately settled through an arbitration process in 2006. This coincided with an amendment to the Joint Powers Agreement that bolstered the long-term stability of the SLMPD. This allowed the focus to shift back toward strategic planning.

At its meeting on January 17, 2007, the Coordinating Committee “kicked off” what has become an ongoing strategic planning process committed to the future interests of the SLMPD. The initiative intensified this year through the formation of a Strategic Planning Group with broad-based representation from the member cities. Input from other sources has also been incorporated into the process to provide additional perspectives.

STRATEGIC PLANNING GROUP

The Strategic Planning Group is comprised of Coordinating Committee Members (mayor from each city), Coordinating Committee Alternates (designated council member from each city), Operating Committee Members (administrator/manager or staff designee from each city) and SLMPD Command Staff (police chief and deputy chief). A list of group participants is attached to this document.

The Strategic Planning Group has met regularly since the beginning of 2008 and has adhered to the following sequential process:

<u>Phase 1</u> - January 2008	<u>Phase 2</u> - February 2008	<u>Phase 3</u> - March/April 2008
Information Gathering	Define Key Issues	Develop Plan

During each of these phases there have been corresponding PowerPoint presentations specific to the topics being discussed. These PowerPoint presentations, which contain a wealth of information, are available in either paper or CD formats. After each meeting, summary minutes were prepared and are available in either paper or CD formats. The PowerPoint presentations have laid the foundation for the Strategic Planning Group to identify and endorse several key strategic goals. The corresponding timetable has

served to move things along in a relatively short period of time so the findings may be incorporated into the budgetary process for 2009.

ACTION PLAN

The Strategic Planning Group favored four strategic goals after a considerable amount of discussion and review of the materials provided. Although not all-inclusive, these priorities for the organization have been identified as critically important to the future of the SLMPD. They have already gone through intense scrutiny, which reinforces even more the importance of achieving these goals. They are as follows:

- Establish a timetable for phasing in additional police officers earmarked for the patrol division.
- Increase the overtime budget so that manpower issues due to training, illness, injured on duty, time off requests, etc. can be more readily accommodated in the work schedule.
- Maintain pace with changing technology. Have a sufficient fund balance available to upgrade, replace and add new technologies.
- Establish a capital fund for the long-term care and maintenance of the public safety facility.

STAFFING CONSIDERATIONS

The Strategic Planning Group spent a considerable amount of time discussing staffing issues. It was recognized that the SLMPD continues to be significantly understaffed with its current complement of police officers. The patrol division was identified as having the most critical need for additional personnel and there was group support for hiring more police officers to address this deficiency. This occurred after substantiating that the redeployment of existing personnel was not a viable option; that there was clear and convincing data to support adding more police officers; and that officer safety was being compromised at present staffing levels. One member of the group summed it up best, *"We need to protect those who protect us."*

Since there is no "one-size-fits-all" approach for determining staffing levels, a multitude of factors were taken into account by the Strategic Planning Group. These include:

- Safety of police officers and the public
- Policing philosophy and priorities
- Demand for service
- Population size and density
- Demographics
- Municipal resources

The Strategic Planning Group was also provided with several benchmarks to make staffing comparisons. One was an "apples-to-apples" comparison to the Centennial Lakes Police Department, which is strikingly similar in makeup to the SLMPD. The

Centennial Lakes Police Department is a more costly operation primarily because it employs three more police officers. This allows the Centennial Lakes Police Department to have at least two patrol officers on-duty at all times, something the SLMPD is unable to achieve with current staffing levels.

Other comparisons were based solely on per capita or demand data. The SLMPD is extremely lean when using a per capita ratio (number of officers per thousand residents) as the benchmark for comparing police officer staffing levels. The SLMPD would need to hire five (5) more police officers just to be in the average range among police departments in the Lake Minnetonka area. To meet the statewide average the SLMPD would need to hire six (6) more police officers.

The results are similar when using the International Association of Chiefs of Police (IACP) demand formula for determining patrol division staffing. Working through this formula using conservative SLMPD data numbers reveals that a baseline of between twelve (12) and thirteen (13) police officers are needed to handle the workload in the patrol division. The SLMPD only has enough personnel to assign ten (10) police officers to handle the workload in the patrol division.

One of the more eye opening presentations for the Strategic Planning Group was explaining just how difficult it can be to provide adequate patrol coverage with staffing being so lean. Even more problematic is trying to fill gaps in the schedule because of job vacancies, vacations, sick leave, work related injuries, training, special assignments, etc. To illustrate this point, samplings of several months in 2007 were featured. December was the most extreme case, with staffing shortfalls occurring 29 of the 31 days of the month.

STAFFING GOALS

A typical twenty-four hour period is presently divided into five patrol shifts with overlapping coverage during peak times. Deployment generally varies between one and three patrol officers at any given time. The Strategic Planning Group endorsed phasing in a sixth shift so that at least two patrol officers would normally be on-duty at any given time. It would also provide additional personnel resources to cover gaps in the patrol schedule. Fully staffing this sixth patrol shift would require hiring two additional police officers.

The Strategic Planning Group respected the fact that hiring additional police officers is a significant financial investment for all the member cities, yet recognized it would be remiss not to start addressing what has been identified through this process as a critical staffing need. To this end, the group recommended hiring one additional police officer in 2009 to provide some more immediate relief. This hiring, however, would be delayed until June 1, 2009 to spread out the additional cost over a two-year period. The group further recommended the hiring of a second police officer in 2011. Once again, this would be delayed until June 1, 2011 to spread out the additional cost over a two-year period. This approach would complete the objective of phasing in two additional

police officers to enhance both coverage and officer safety. It also affords officers more opportunities to take time off, which is important in terms of employee retention and maintaining good mental health to balance what is otherwise a very demanding and stressful job. In conjunction with this staffing increase, there is a gradual increase in the amount budgeted for overtime in order to follow the more prudent practice of backfilling staffing shortfalls.

The projected overall cost of implementing these staffing goals is itemized on the accompanying five-year operating budget forecast. Personnel costs are predicated on the new hires being entry level positions and using salary and benefit estimates that reflect what the increases will likely be in relation to the current labor agreement. The methodology applied to the budget forecast is consistent with how the SLMPD and cities in general present their annual operating budgets. This is a year-by-year comparison, which for purposes of this illustration, has been averaged over a five-year period. This method of presentation was favored by the majority of the group.

It should be noted that once payroll costs are finalized for each of the next five years, the financial implications to the member cities may fluctuate depending on future labor agreements and personnel changes.

TECHNOLOGY CONSIDERATIONS

The Strategic Planning Group supported the efforts of the SLMPD to maintain pace with changing technology and develop a long-range capital plan for consideration as part of the 2009 budget process. This builds upon past efforts to absorb the capital costs associated with a number of technology upgrades, such as the conversion to an 800 MHz radio system and implementation of mobile data terminals in patrol vehicles. These were funded through the Designated Technology Fund, which traditionally has been supported by annual appropriations from the operating budget and transfers from surplus revenues. Additionally, the SLMPD has successfully secured a number of grants in the past to assist with technology upgrades.

TECHNOLOGY GOALS

The Strategic Planning Group encouraged further development of the long-range capital plan currently in the works that will need to support a number of required enhancements. This includes adopting and funding a replacement schedule for the current inventory of 800 MHz radios and mobile data computers in the patrol vehicles. Additionally, the in-house record management system is nearing the end of its useful lifespan and will need to be replaced. Although costly, it will provide significant advancements in technology with increased efficiencies, better data collection and reporting capabilities, enhanced interoperability with other systems and improved officer safety features in the field. The last significant piece of the technology pie is the ongoing upgrades to the internal network of voice/data systems and the related components.

A preliminary estimate of what additional capital will be needed to support these technology goals is reflected in the accompanying five-year operating budget forecast. These figures are predicated on several variables to help preserve capital in the Technology Fund. These include Hennepin County extending its lease program for 800 MHz radio equipment, continuing the internal practice of transferring favorable revenues into the Technology Fund and being able to tap into forfeiture proceeds when feasible.

FACILITY CONSIDERATIONS

The Strategic Planning Group acknowledged the need for a capital maintenance plan specific to the public safety facility. There is currently no arrangement in place to provide for the preservation of this vital community asset. Such a plan is not intended to provide for routine maintenance, ongoing operations or scheduled service of existing equipment. These expenses are funded each year through the operating budget. The capital maintenance plan would be earmarked for the long-term care and maintenance of the facility. Included under this would be:

- Building Grounds
- Building Exterior
- Building Interior
- Mechanical
- Electrical

This shared liability between the SLMPD and the Excelsior Fire District (EFD) is dependent on the financial backing of their respective member cities. This would be in addition to what is already being contributed to annual operations and other capital needs.

FACILITY GOALS

The Strategic Planning Group recognized the importance of establishing a capital maintenance fund in partnership with the EFD. Interest was expressed in using as a funding source the savings derived from refinancing of the original construction debt related to the public safety facility. These savings on the police side, which will first be realized starting in 2009, total an estimated \$326,615 over the remaining life of the refinanced bonds. This amount, coupled with a matching share from the EFD, would accumulate a sizable balance over time. Presumably, the contributions to this fund from the member cities would be based on the same funding formula adopted for repayment of the original construction debt. The SLMPD would then hold these contributions in trust similar to the debt service payments on the facility.

The Strategic Planning Group supported the work being done by the SLMPD and the EFD to identify what will need to be replaced, timing and related costs. This will then be incorporated into a replacement schedule that can serve as both a checklist and estimator of what needs to be collected to sustain the fund balance. Completing this task will require some technical expertise that will likely have to be outsourced.

Although recognizing the aforementioned process will take time, the Strategic Planning Group felt it was important to have a baseline figure in which to plan around as soon as possible. It was generally agreed this could be established by applying “rule of thumb” standards applicable to buildings with similar characteristics. As a starting point, it was recommended having the respective auditors for the SLMPD and the EFD meet collectively to come up with a baseline figure that would be further refined as the process progresses. Achieving this initial objective has been put on the “fast track” so that member cities can begin to plan for this eventuality. It would be premature at this time, however, to do a projection prior to this baseline figure being determined.

It was also the sentiment of the Strategic Planning Group that gaining the support of all the member cities to create this capital fund should be the first priority. Secondary to this would be adopting a contribution schedule along with each member city identifying what funding source to use to support their share. The SLMPD member cities use a different method than the EFD for funding the debt service payments on the building. This same funding method would presumably be followed in establishing a capital maintenance fund for the building. This fund would be treated independent of the SLMPD operating budget with contributions being collected and held in trust by the SLMPD until payments are required. Any accumulated interest would stay with the trust and not comingled with the operating budget.

CONCLUSION

The Strategic Planning Group has not only devoted many hours to this process, but has adhered to an aggressive schedule in order to reach reasonable conclusions and suggested actions to incorporate in the 2009 budget process. The key strategies identified as part of this sequential process evolved from an extensive review of information and data coupled with group discussions focused on reaching a common vision for the future of the SLMPD. Throughout this process the group interaction has been probing, thoughtful, insightful and respectful. This is probably the most important reason why the group has been able to reach fundamental decisions and agree on some recommended actions to move the organization forward. These suggested actions are now in the hands of the Coordinating Committee and the SLMPD Command Staff to present to the member cities for consideration.

Strategic planning is a never-ending process that learns from the past, evaluates the present and provides direction for the future. The Strategic Planning Group has laid the groundwork for what is a very exciting time for the SLMPD as efforts are made to better position the organization for present and future challenges.

*** See Next Page for Strategic Planning Group Representatives ***

STRATEGIC PLANNING GROUP

REPRESENTATIVES

City of Excelsior

Mayor:	Nick Ruehl
Council Member:	Greg Miller
City Clerk:	Cheri Johnson

City of Greenwood

Mayor:	Bob Newman
Council Member:	Bob Quam
City Administrator:	Did not participate

City of Shorewood

Mayor:	Chris Lizee
Council Member:	Laura Turgeon
Acting City Administrator:	Larry Brown

City of Tonka Bay

Mayor:	Bill LaBelle
Council Member:	Ken Folley
City Administrator:	Jessica Loftus

SLMPD Command Staff

Chief of Police:	Bryan Litsey
Deputy Chief:	John Nieling

Group Support Staff

Administrative Assistant:	Nancy Swanson
Official Recorder:	Chris Freeman