

BUDGET RETREAT AGENDA

**CITY COUNCIL BUDGET RETREAT
MONDAY - TUESDAY
FEBRUARY 12-13, 2018**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
9:00 A.M. (MONDAY) AND 1:00 P.M. (TUESDAY)**

1. Call to Order

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Pledge of Allegiance and Mission Statement

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

3. Roll Call

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR EVANS
VICE MAYOR WHELAN
COUNCILMEMBER BAROTZ
COUNCILMEMBER MCCARTHY

COUNCILMEMBER ODEGAARD
COUNCILMEMBER OVERTON
COUNCILMEMBER PUTZOVA

4. City Council Fiscal Year 2019 Budget Retreat

5. Informational Items To/From Mayor, Council, and City Manager; future agenda item requests.

6. Adjournment

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2018.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Brandi Suda, Finance Director
Date: 02/07/2018
Meeting Date: 02/12/2018



TITLE

City Council Fiscal Year 2019 Budget Retreat

STAFF RECOMMENDED ACTION:

Discuss and provide direction for the Fiscal Year 2019 budget.

EXECUTIVE SUMMARY:

The budget for the City of Flagstaff is the policy document that reflects the goals and objectives of the City Council. Over the course of several months the City Council meets to gather input on major budget issues prior to preparation of the budget.

The February 12 & 13 retreat will be the second of three City Council budget retreats for upcoming FY 2019 budget. This special meeting is set to provide a financial outlook, and additional information on several Council budget priorities. The main goal of the retreat is for the City Council to provide additional FY 2019 budget direction to the City Manager.

INFORMATION:

A detailed agenda for budget retreat is attached. Here is a summary of budget retreat discussion.

- Retreat Welcome
- Revenue Update, Available Revenues & Fixed Costs
- Compensation & Benefits
- PSPRS Pension
- General Obligation Bonds
- Affordable Housing
- Employee Survey Results
- Public Safety Operations Update
- Summit Fire IGA
- Native American Strategic Initiatives
- Service Partner Contracts
- Graffiti Abatement

Please find attached the following:

Detailed Agenda

Budget Retreat Presentations

FY2019 Council Budget Priorities

Strategic Plans for Fire and Police

Attachments: [Retreat Agenda](#)
 [Powerpoint Presentation](#)
 [FY2019 Council Budget Priorities](#)
 [Flagstaff Police Department Strategic Plan](#)
 [Flagstaff Fire Department Strategic Plan](#)
 [Flagstaff Police Department Presentation Talking Points](#)

City Council Budget Retreat

February 12, 2018

Detailed Agenda

Time	Duration (min)	Topic	Staff	Packet Page Number
9:00am	10	Public Participation		
9:10am	5	Retreat Objectives and Outline	Josh Copley	
9:15am	30	Council Goals and Objectives Check In	Shane Dille	
9:45am	20	Revenue Updates <ul style="list-style-type: none"> Sales Taxes, State Shared Revenues, Franchise Fees, Building Permits, BBB Revenue and Highway User Revenues 	Rick Tadder	
10:05am	15	Available Revenues and Fixed Costs <ul style="list-style-type: none"> Fixed Costs Available Revenue Summary-General Fund Fixed Costs Summary-General Fund 	Brandi Suda	
10:20am	10	Break		
10:30am	60	Benefits <ul style="list-style-type: none"> Health Benefits NAPEBT Wellness Program Maternity/Paternity Leave 	Shannon Anderson	
11:30am	30	PSPRS Pension <ul style="list-style-type: none"> Unfunded Liability Update FY 2019 Rates and Costs Amortization Period Consideration Pension Policy 	Rick Tadder	
12:00pm	60	Lunch		
1:00pm	15	General Obligation Bonds <ul style="list-style-type: none"> 20 Year History of Elections Legal Limits Secondary Property Taxes Capacity 	Rick Tadder	
1:15pm	60	Affordable Housing	Sarah Darr	
2:15pm	30	Employee Survey	Jennifer Caputo	
2:55pm	5	Wrap Up	Josh Copley	
2:45pm	10	Public Participation		

*All times are estimates and items could be reordered during the meeting

City Council Budget Retreat

February 13, 2018

Detailed Agenda

Time	Duration (min)	Topic	Staff	Packet Page Number
1:00pm	10	Public Participation		
1:10pm	60	Public Safety Operations Update <ul style="list-style-type: none"> • Police • Fire • Flagstaff Watershed Protection Program ◆ Wildland Management Funding Options 	Kevin Treadway Mark Wilson Paul Summerfelt	
2:10pm	30	Summit IGA	Mark Gaillard	
2:40pm	30	Compensation <ul style="list-style-type: none"> • Market Based Pay • Equity Pay Review 	Shannon Anderson	
3:10 pm	5	Break		
3:15pm	15	Native American Strategic Initiatives	Caleb Blaschke	
3:30pm	30	Service Partner Contracts <ul style="list-style-type: none"> • Disability Providers • Relocation Assistance for Trailer Park Closures 	Josh Copley	
4:00pm	30	Graffiti Abatement <ul style="list-style-type: none"> • Volunteer Program • Community Benefit • Future Considerations 	Reggie Eccleston	
4:30pm	45	Council Discussion and Direction	Josh Copley	
5:15pm	5	Wrap Up	Josh Copley	
5:20pm	10	Public Participation		

*All times are estimates and items could be reordered during the meeting

City Council Budget Retreat

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Retreat Objectives and Outline

- Council Goals and Objectives Check In
- Revenue Updates
- Available Revenues and Fixed Costs
- Benefits
- PSPRS Pension
- General Obligation Bonds
- Affordable Housing
- Employee Survey
- Public Safety Operations Update
- Summit IGA
- Compensation
- Native American Strategic Initiatives
- Service Partner Contracts
- Graffiti Abatement

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Council Goals and Objectives Check In

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Council Goals and Objectives Check In

Agenda

- How did we get here?
- The Matrix Document 101
- Why the matrix works?
- New public portal introduction

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Council Goals and Objectives Check In

How Did We Get Here?

- Council established goals:
 - 8 general goals
 - 4 administrative goals
- Council prioritized objectives to support and accomplish their goals
- Council sought transparency and a “Measurement For Success”



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City of Flagstaff Council Goals 2017-2019

ECONOMIC DEVELOPMENT

Grow and strengthen a more equitable and resilient economy.

AFFORDABLE HOUSING

Support development and increase the inventory of public and private affordable housing for renters and home-owners throughout the community.

SOCIAL JUSTICE

Advance social justice in our community.

TRANSPORTATION AND OTHER PUBLIC INFRASTRUCTURE

Deliver quality community assets and continue to advocate and implement a highly performing multi-modal transportation system.

BUILDING AND ZONING/REGIONAL PLAN

Revise the zoning code to remove ambiguities, and ensure it is consistent with community values and the regional plan.

CLIMATE CHANGE

Take meaningful climate change action.

WATER CONSERVATION

Become a national leader in water conservation in all sectors.

ENVIRONMENTAL AND NATURAL RESOURCES

Actively manage and protect all environmental and natural resources.

PERSONNEL

Attract and retain quality staff.

COMMUNITY OUTREACH

Enhance public transparency and accessibility.

TOWN & GOWN

Enhance relationships between the City and institutions of higher education.

CODE COMPLIANCE

Achieve comprehensive and equitable code compliance.

Revised 2/3/2017

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CITY OF FLAGSTAFF COUNCIL GOALS AND OBJECTIVES

ECONOMIC DEVELOPMENT: Grow and strengthen a more equitable and resilient **local** economy.

- Improve the small business experience when going through the City process.
- Support and enhance services to all businesses in the **local** community.
- Complete the sale of the auto mall properties.
- Increase eco and historic tourism in Flagstaff.
- Form an arts district and build a cultural arts facility.
- Market Parks and Recreation as accessible for all regardless of income.
- Promote internet connectivity throughout the community.

AFFORDABLE HOUSING: Support development and increase the inventory of public and private affordable housing for renters and homeowners throughout the community.

- Increase the number of affordable rental units.
- Promote energy efficient rental units.
- Improve the distribution of affordable rental units throughout the community.
- Seek partnerships with private developers to increase the inventory affordable rental and ownership housing.
- Pursue financing strategies that will create additional inventory of affordable rental and ownership opportunities.
- Modify the building and zoning codes to encourage more affordable housing options.
- Adopt the maximum primary property tax increase and allocate the additional revenues to city-managed rental housing program.
- Establish an employer assisted housing program.
- **Advocate for full funding of Public Housing, Section 8 Housing Choice Voucher Program and the Community Development Block Grant Program.**
- **Advocate for the state to review Low Income Housing Tax Credit applications more than once a year.**

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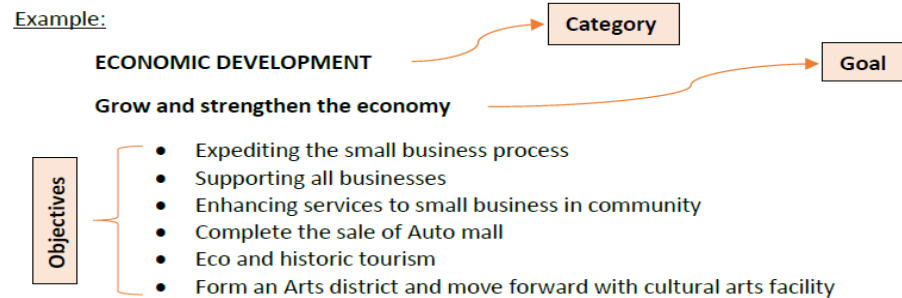
Council Goals and Objectives Check In

The Matrix Review

Council Goals 2017 – 2019

Matrix Definitions

Example:



POLICY IMPLICATION(S) = Is there a current City policy that supports or would be impacted by the accomplishment of the Objective, or the effort by staff to accomplish the Objective?

BUDGET IMPLICATION(S) = Is there current budget to support the Objective, or will additional appropriations be required? Is there a revenue generation potential?

COMPLETE SALE OF AUTOMALL	
Point of Contact:	
POLICY IMPLICATION	
BUDGET IMPLICATION	
S.M.A.R.T Y <input type="checkbox"/> N <input type="checkbox"/> if no explain	
EXTERNAL PARTNERS	
TIMELINE	
MEASUREMENT	
UPDATE	

S.M.A.R.T. ANALYSIS = Objectives should conform to the following criteria: Specific, Measurable, Attainable, Relevant and Timely.

MEASUREMENT(S) = What does success look like in accomplishing the Objective? For the Objective to be successful it must have a clear measurement. To be able to measure progress a baseline is determined and then a target outcome is established. For example to measure whether quality is suffering in the face of high productivity, we might measure % of work that requires a redo. A low % would suggest higher quality of work being performed.

EXTERNAL PARTNERS = Who are the external stakeholders needed at the table to accomplish this Objective.

TIMELINE = The following timelines have been established to define the period of time requisite to accomplish the Objective:

Immediate = less than 6 months

Short-Term = 7 – 12 months

Mid-Term = 13 – 36 months

Long-Term = over 3 yrs

Council Goals and Objectives Check In

Why The Matrix Works?

- S.M.A.R.T. analysis
- Captures both policy and budget impacts
- Identifies external stakeholders
- Coordinates and communicates a path to success!

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Council Goals and Objectives Check In

The Matrix Review

Town & Gown	
ESTABLISH A COMPREHENSIVE INTERNSHIP PROGRAM THROUGH COCONINO COMMUNITY COLLEGE AND NORTHERN ARIZONA UNIVERSITY	
Point of Contact: Shane Dille	
POLICY IMPLICATION	"Enhance relationships between the city and institutions of higher education." (Town and Gown goal – Council's Goals 2017 – 2019)
BUDGET IMPLICATION	Budget FY 2018 - None
S.M.A.R.T Y <input checked="" type="checkbox"/> N <input type="checkbox"/> if no, explain	
EXTERNAL PARTNERS	Coconino Community College (CCC) and Northern Arizona University (NAU)
TIMELINE	Short-term
MEASUREMENT	<p>Development of a robust and comprehensive internship program between the City and both CCC and NAU. The program should be designed to link the greatest number of students with the greatest array of work experience opportunities in the public sector. Preferably, the program would be available for students at the beginning of Fall Semester 2017.</p> <p>Ideally, the County would be interested in being a part of the program; therefore, providing more opportunities for the students.</p>
UPDATE	<p>City staff have been working with Northern Arizona University (NAU) on the development of a Intergovernmental Agreement (IGA) to formalize an Internship program between the City and NAU. A draft is expected to be presented to City Council in February or Early March for approval. It is hoped that this IGA will serve as a model for a similar relationship with Coconino Community College. (SD 2/2018)</p> <p>NAU has recently revamped its Career Services program, which has in many ways centralized programs. Seeing these changes by NAU as an opportunity, the City Manager's office has already begun fruitful discussions with NAU on the design of the internship program described in the measurement above. (SD 12/2017)</p>

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Council Goals and Objectives Check In

The Matrix Review

EXPAND THE HOUSING ASSISTANCE PROGRAM FOR ALL CITY STAFF	
Point of Contact: Shannon Anderson / Justyna Costa	
POLICY IMPLICATION	Update Employee Handbook as needed.
BUDGET IMPLICATION	Currently there is \$90,000 budgeted in FY17 with one-time dollars.
<u>S.M.A.R.T</u> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> if no, explain	
EXTERNAL PARTNERS	Vendor selected by the Housing Section to administer the program.
TIMELINE	Short-term, Mid-term
MEASUREMENT	<p>Short-term (through FY18):</p> <ul style="list-style-type: none"> • Create a survey for employees or utilize Flagstaff survey to analyze what impact a housing assistance program will have on employee retention or attraction • Create a policy and procedure for a Citywide Housing Assistance Program learning from the current pilot program in the Police Department • Identify budget capacity for funding a Housing Assistance Program with one-time dollars • Utilize recruitment and exit interview data to measure the impact the Housing Assistance Program has made on attraction and retention trends <p>Mid-term (FY19):</p> <ul style="list-style-type: none"> • Implement the Citywide Housing Assistance Program
UPDATE	Additional \$100,000 of one-time dollars added for Citywide Employee Housing Assistance program for FY17-18 (SA 11/30/17). Expansion of Housing Solutions of Northern Arizona contract to include all City personnel approved during City Council meeting on 11/7/2017 (SA 11/30/17).

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Council Goals and Objectives Check In

Public Portal

CITY OF FLAGSTAFF

Council Goals

2017-2019



→ LEARN ABOUT THE PROCESS

CLICK THE COUNCIL GOALS BELOW TO LEARN ABOUT THE PROGRESS

→ **ECONOMIC DEVELOPMENT**
Grow and strengthen a more equitable and resilient economy.

→ **WATER CONSERVATION**
Become a national leader in water conservation in all sectors.

→ **AFFORDABLE HOUSING**
Support development and increase the inventory of public and private affordable housing for renters and home-owners.

→ **ENVIRONMENTAL AND NATURAL RESOURCES**
Actively manage and protect all environmental and natural resources.

→ **SOCIAL JUSTICE**
Advance social justice in our community.

→ **PERSONNEL**
Attract and retain quality staff.

→ **TRANSPORTATION & OTHER PUBLIC INFRASTRUCTURE**
Deliver quality community assets and continue to advocate and implement a highly performing multi-modal transportation system.

→ **COMMUNITY OUTREACH**
Enhance public transparency and accessibility.

→ **BUILDING AND ZONING/REGIONAL PLAN**
Revise the zoning code to remove ambiguities, and ensure it is consistent with community values and the regional plan.

→ **TOWN & GOWN**
Enhance relationships between the city and institutions of higher education.

How is it working for you?

Questions?

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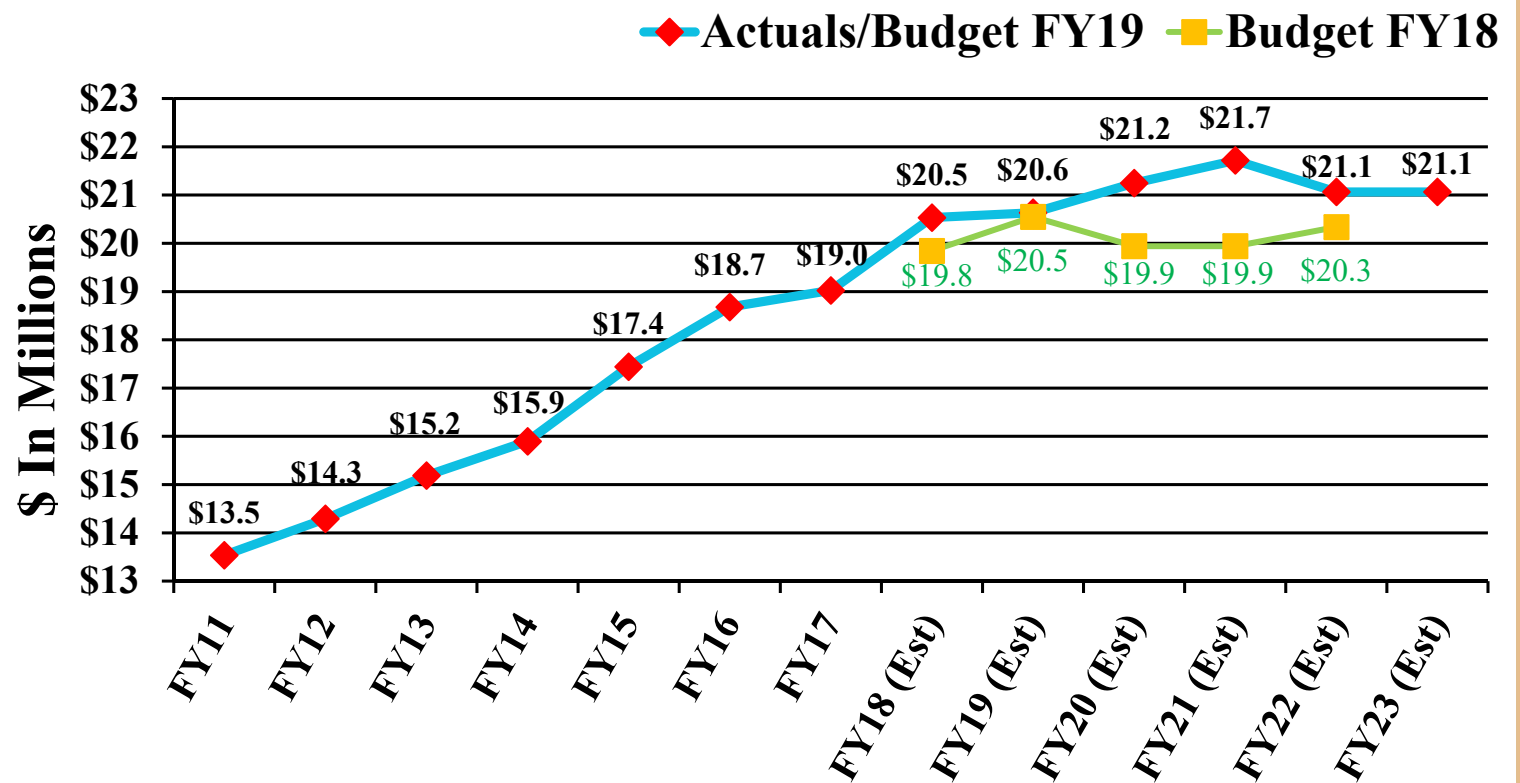


Revenue Updates

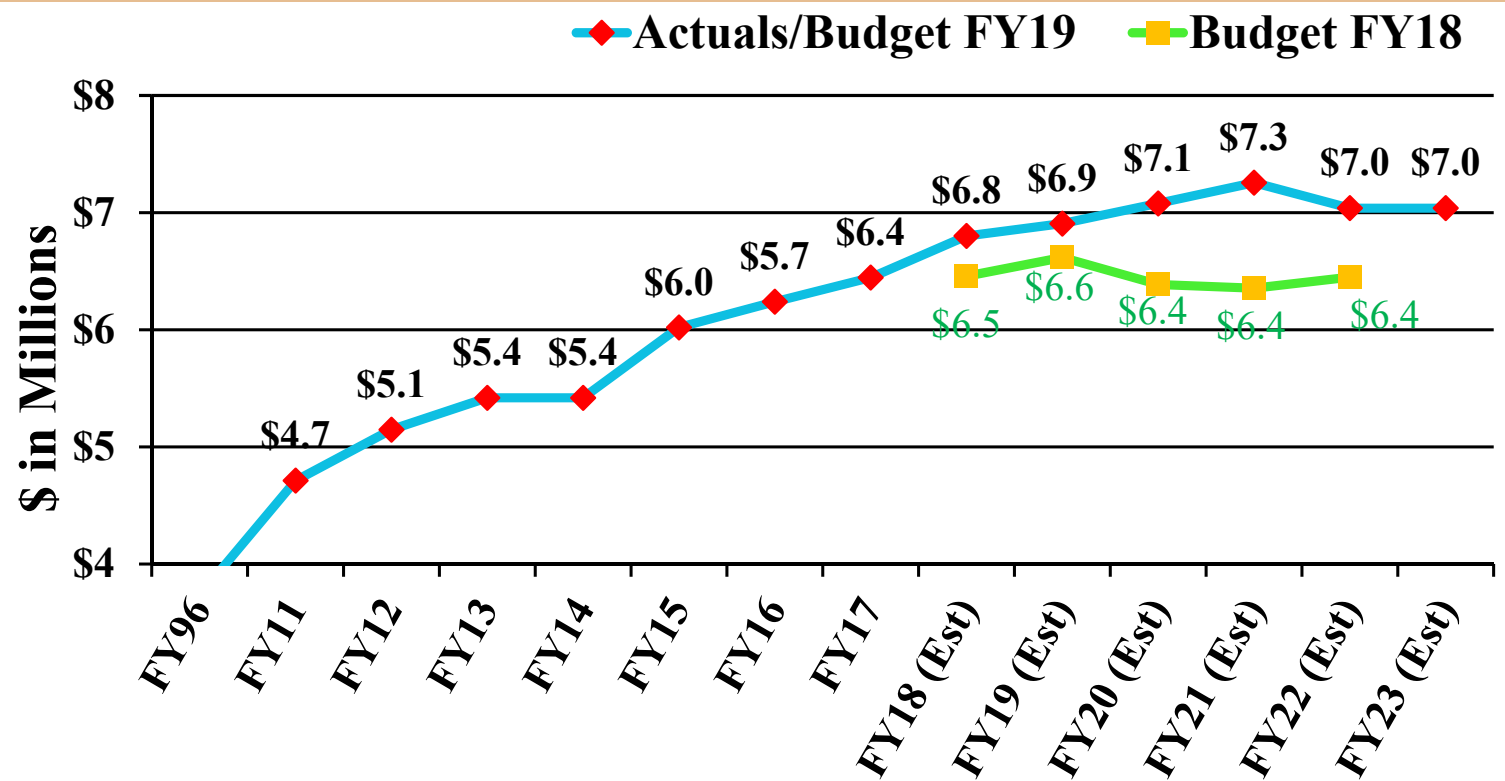
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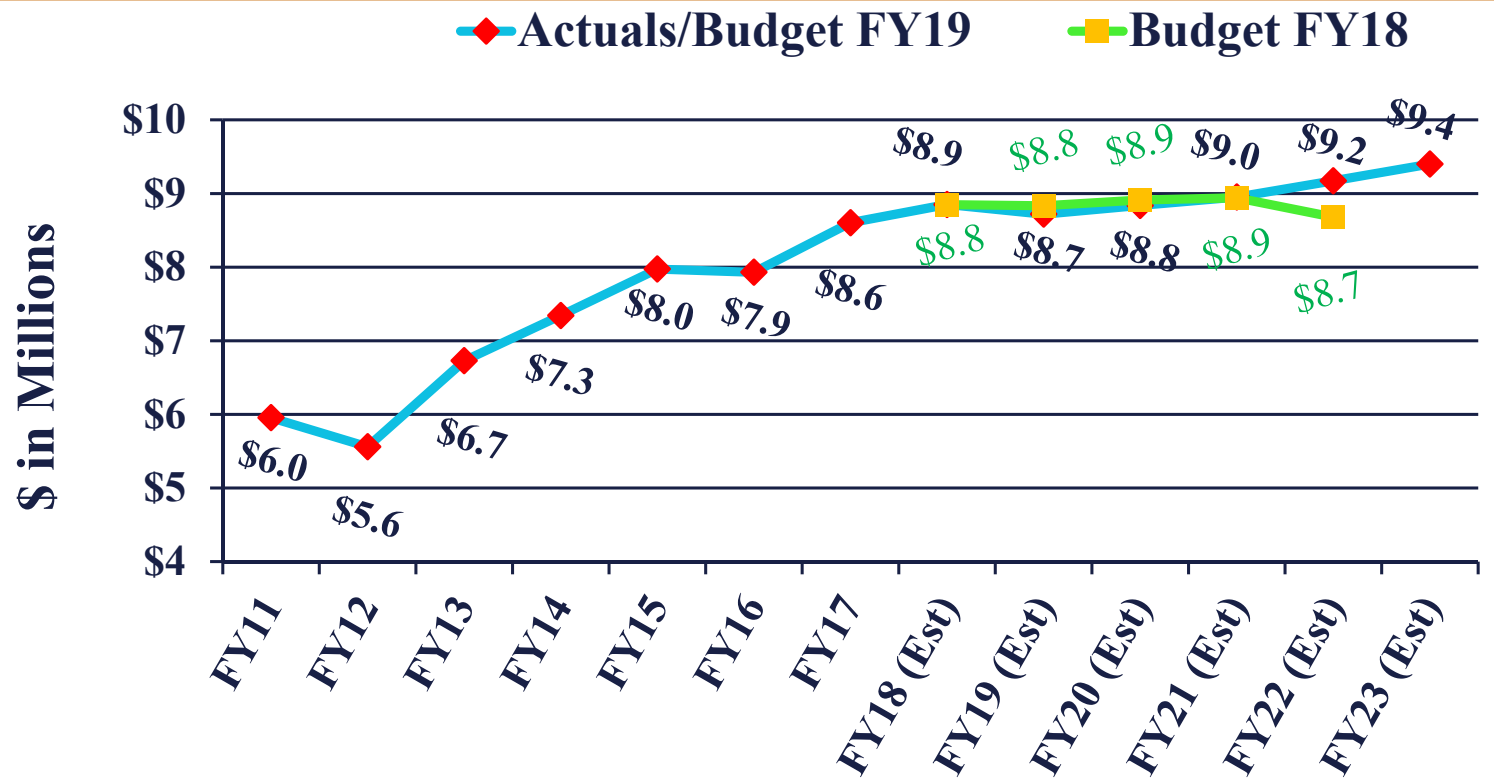
City Sales Tax – General Fund



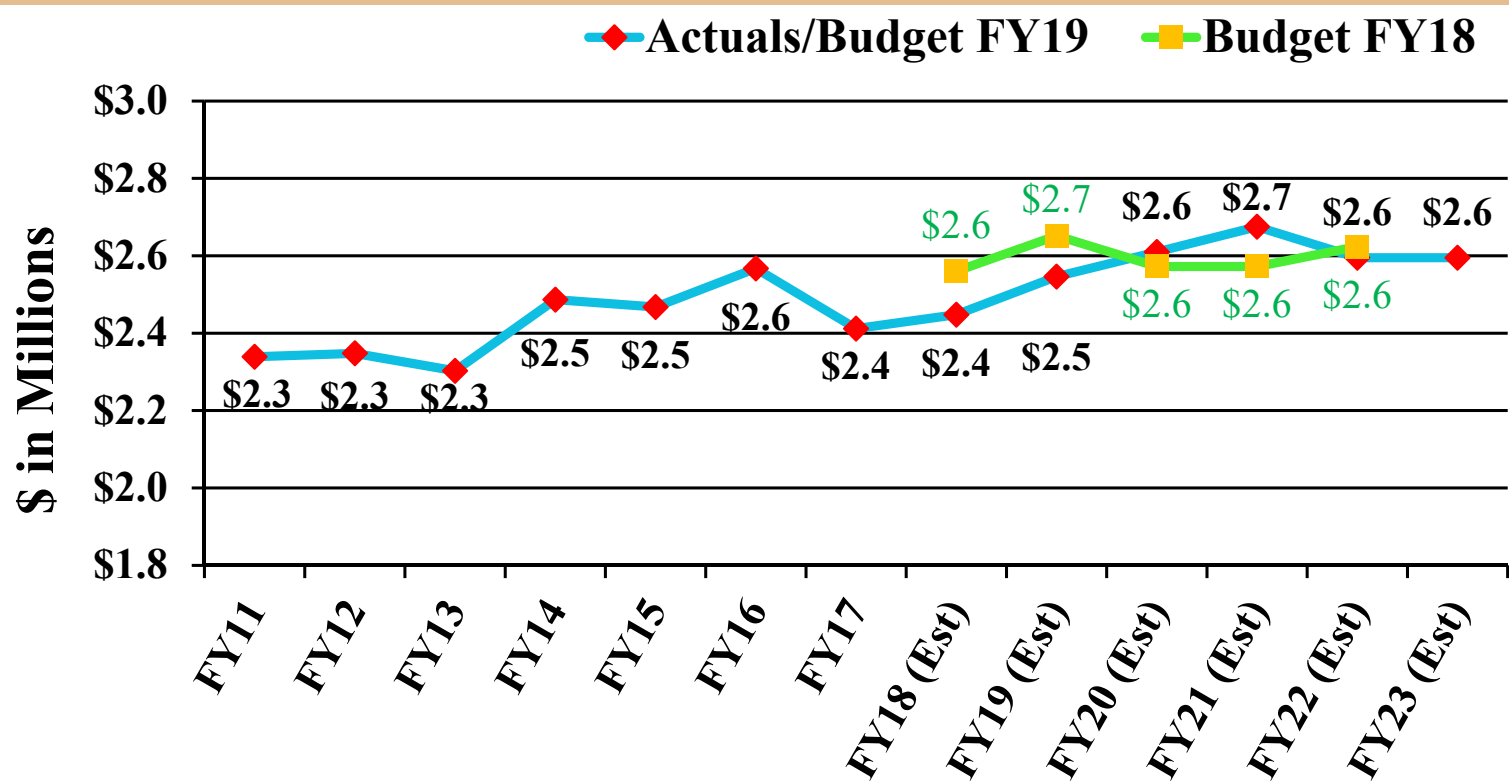
State Shared Sales Tax



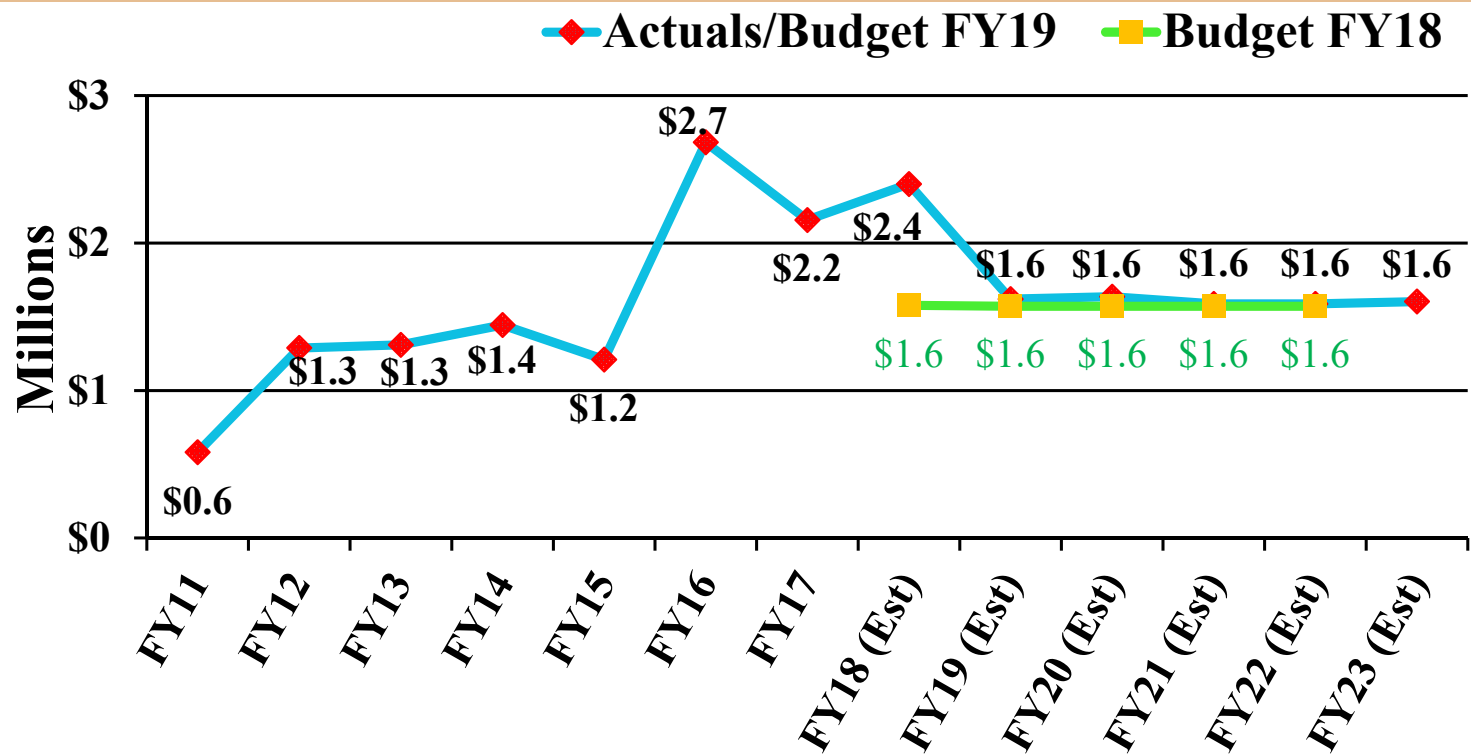
State Shared Income Tax/ Urban Revenue



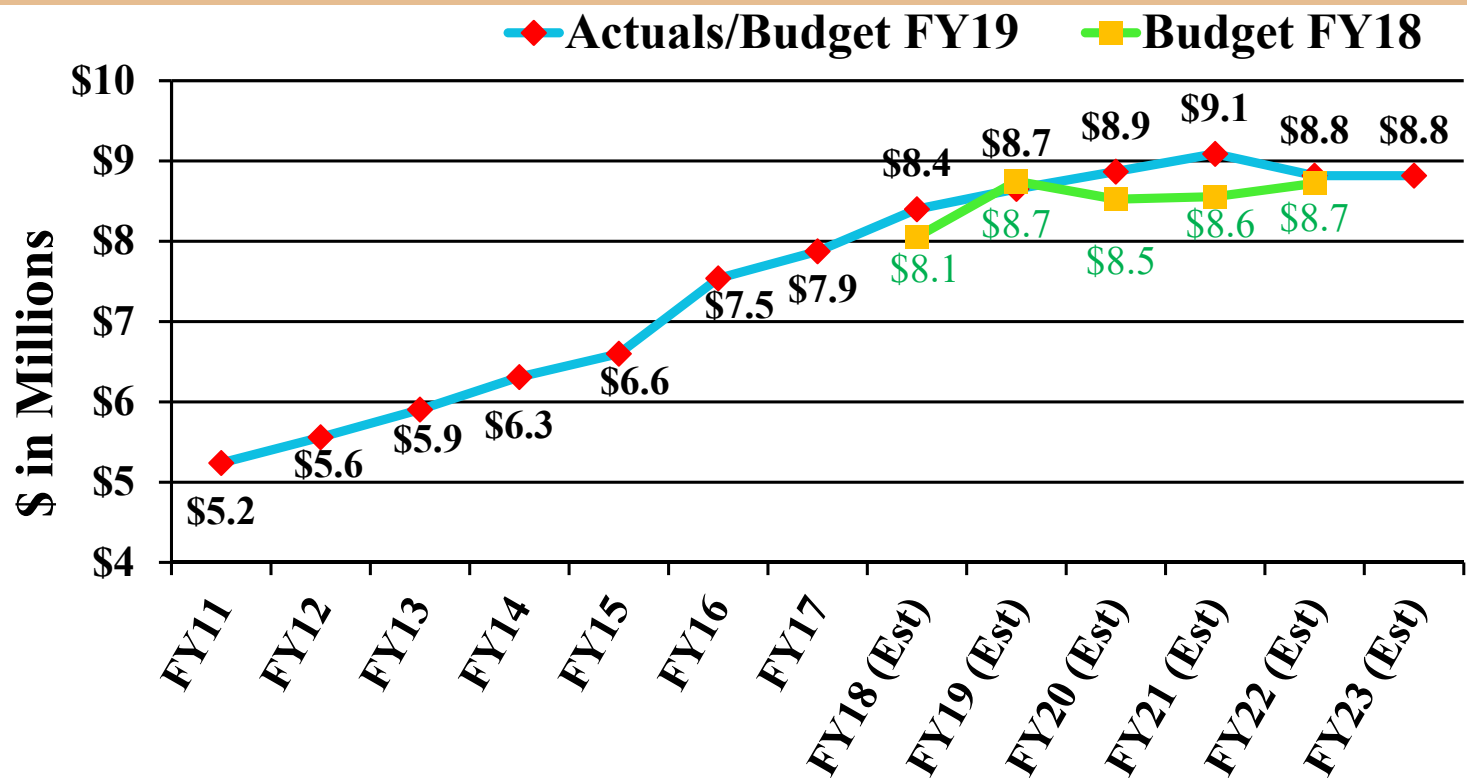
Franchise Fees



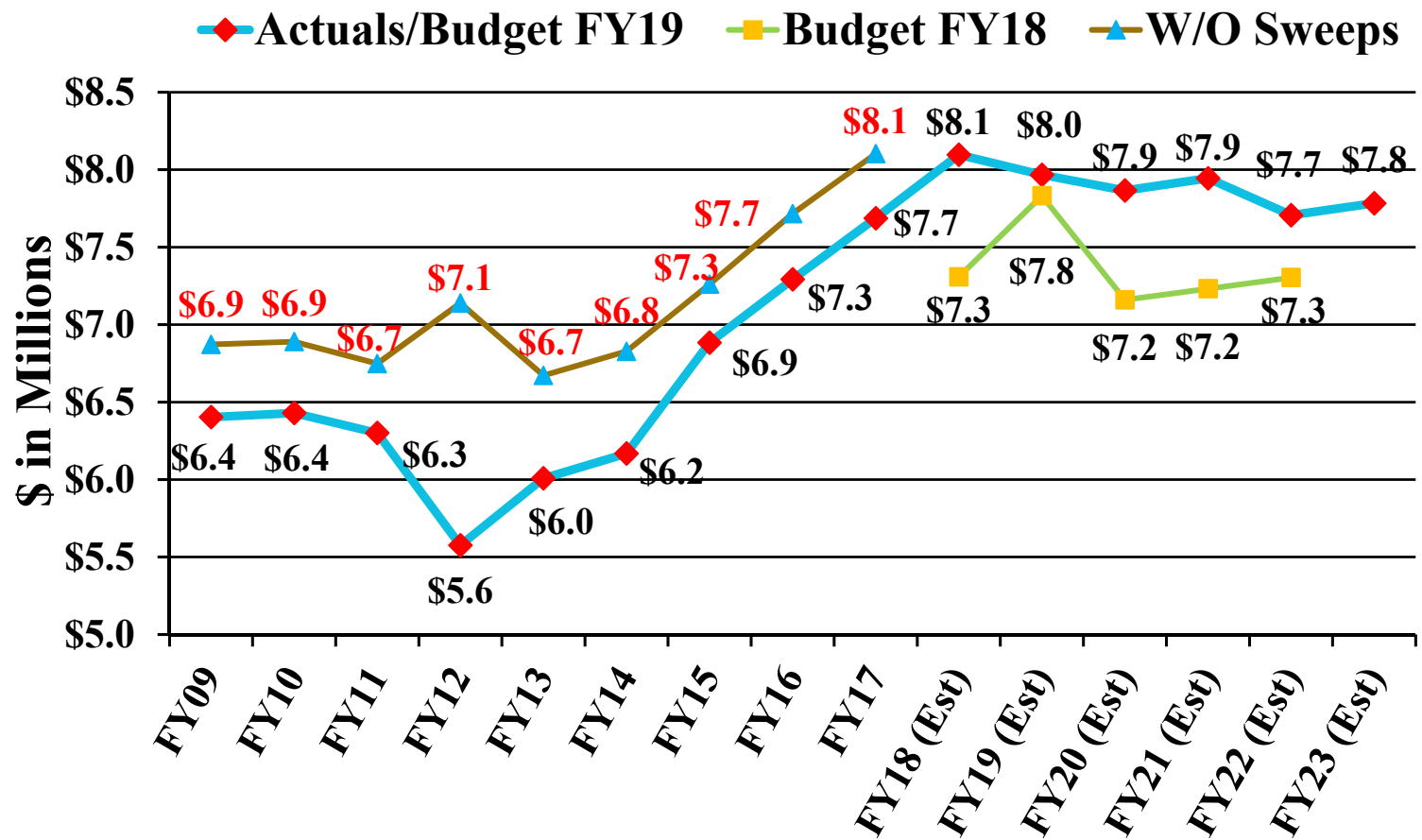
Building Permits



Bed, Board and Beverage (BBB) Revenue



Highway User Revenue (HURF)



Available Revenues and Fixed Costs

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Available Revenues and Fixed Costs

- Fixed Costs Trends
- Revenue Summary – General Fund
- Fixed Costs Summary – General Fund

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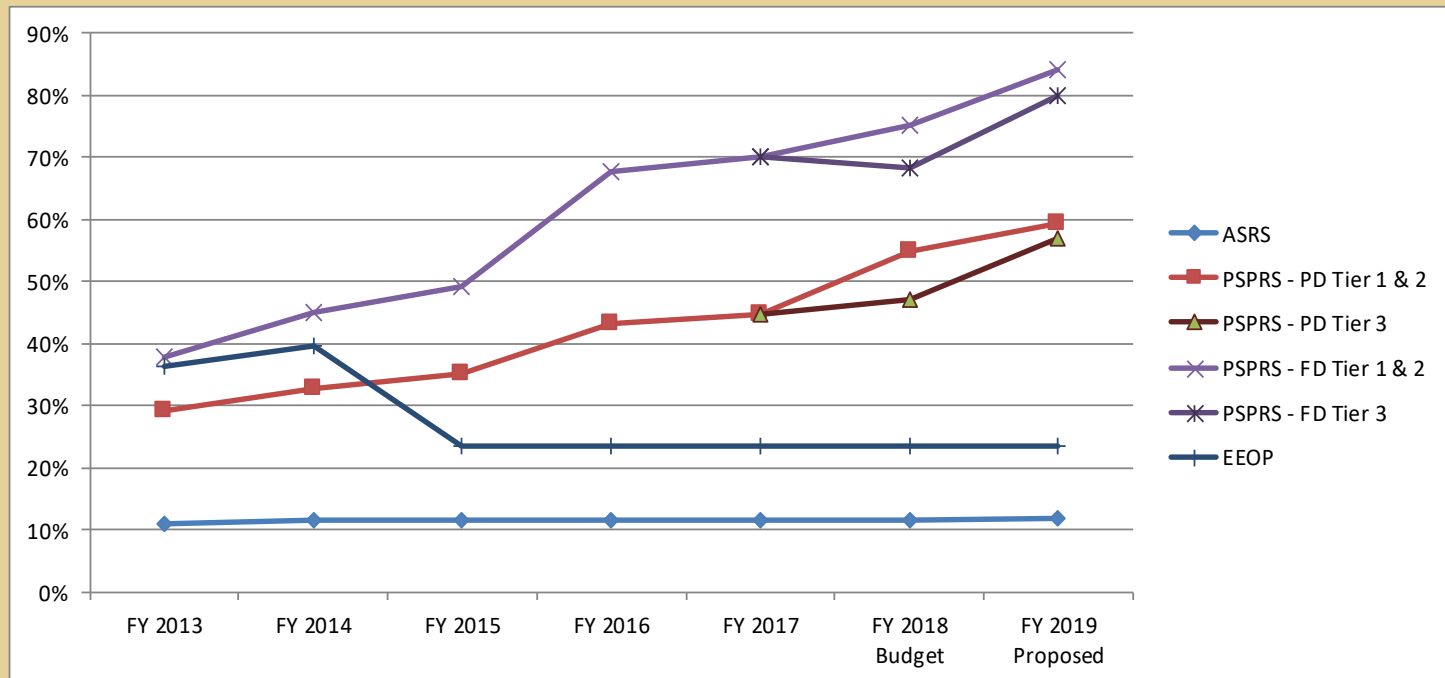
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Fixed Costs - Pension

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 Budget	FY 2019 Proposed
ASRS	11.14%	11.54%	11.60%	11.47%	11.48%	11.50%	11.80%
PSPRS - PD Tier 1 & 2	29.22%	32.87%	35.16%	43.29%	44.83%	54.73%	59.28%
PSPRS - PD Tier 3					44.83%	47.11%	57.07%
PSPRS - FD Tier 1 & 2	37.80%	44.99%	49.26%	67.71%	70.05%	75.11%	84.17%
PSPRS - FD Tier 3					70.05%	68.34%	80.08%
EEOP	36.44%	39.62%	23.50%	23.50%	23.50%	23.50%	23.50%

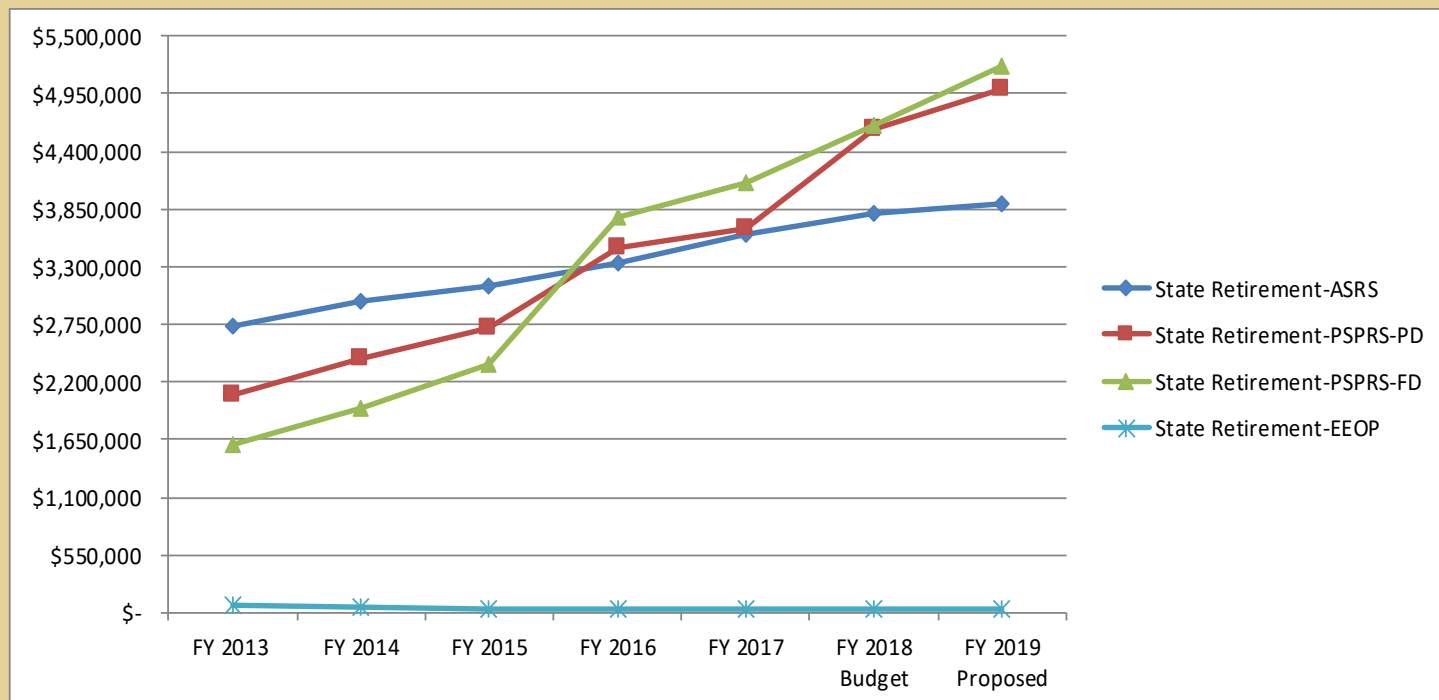


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Fixed Costs - Pension

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 Budget	FY 2019 Proposed
State Retirement-ASRS	2,737,048	2,963,027	3,121,635	3,342,634	3,603,589	3,803,359	3,902,577
State Retirement-PSPRS-PD	2,081,724	2,420,059	2,722,515	3,483,156	3,662,344	4,613,585	4,997,137
State Retirement-PSPRS-FD	1,609,719	1,957,678	2,375,094	3,769,503	4,107,600	4,651,376	5,212,439
State Retirement-EEOP	65,703	56,413	40,950	39,815	40,588	39,747	39,747
	6,494,194	7,397,177	8,260,194	10,635,108	11,414,121	13,108,067	14,151,900



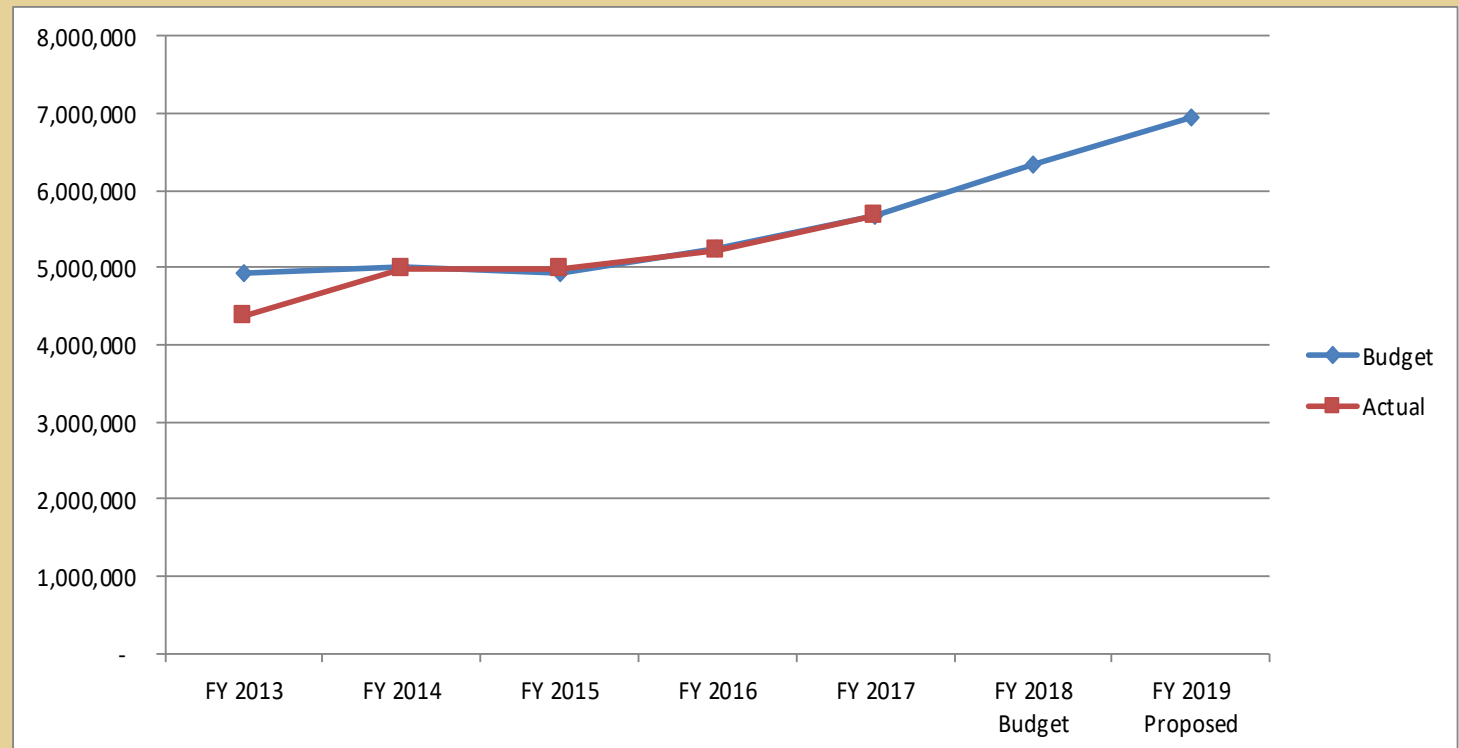
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Fixed Costs – Health Benefits

HEALTH BENEFITS	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 Budget	FY 2019 Proposed
Budget	4,924,110	4,997,744	4,926,306	5,240,536	5,667,059	6,337,253	6,939,292
Actual	4,368,837	4,984,109	4,978,361	5,228,172	5,660,430		

(Includes: Employee Health Insurance, Dependent Insurance, Dental, Vision, and HSA)



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Revenue Update Summary – General Fund

General Fund	One-Time	Ongoing
City Sales Tax	\$ 570,000	\$ 980,000
State Shared Sales Tax	\$ 350,000	\$ 590,000
State Shared Income Tax	\$ 0	\$ 170,000
State Shared Auto Lieu	\$ 0	(\$ 100,000)
Building Permits	\$ 820,000	\$ 0
Other Adjustments	\$ 1,290,000	\$ 10,000
Total Available for FY 2019	\$ 3,030,000	\$ 1,650,000

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Fixed Costs Summary – General Fund

General Fund	Ongoing Amount
Employee Market Pay - Phase 3 (\$555,000 Funded)	\$ 0
Employee Compensation (1% to 3%)	\$ 500,000 – \$ 1,500,000
Pension Cost - New	\$ 1,000,000
Health Insurance (Employee Only) (\$140,000 Funded)	\$ 190,000
Health Insurance Dependent Subsidy (Family)	\$ 75,000 - \$ 220,000
Minimum Wage Changes (\$11 to \$12/hour)	\$ 85,000
Worker Compensation, Liability and Property Insurance	\$ 90,000
Electric Utility Rate Increase (4%)	<u>\$ 75,000</u>
Total FY2019 Fixed Costs	\$2,015,000 - 3,160,000

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Benefits

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Benefits

- Northern Arizona Public Employees Benefit Trust (NAPEBT)
- Health Benefits
 - National trend
 - Arizona trend
 - NAPEBT trend
 - Renewal information
- Wellness
 - Incentive Program
 - Near Site Clinic
- Maternity/paternity leave

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Benefits

NAPEBT

- Northern Arizona Public Employees Benefit Trust (NAPEBT)
- Established in July 1993 under Arizona Revised Statute Title 11 Article 952
- Purpose of providing and maintaining health and welfare benefits
- Participating employers
- Prospective participants

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Benefits

NAPEBT

- NAPEBT Board consists of trustees of a participating employer
- Trustee is responsible for general management, control and direction of all the business activities and affairs of NAPEBT
- Each trustee has one vote
- Trustees serve without compensation
- Voluntary withdrawal of participant from trust
- Termination of participant by trustees

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Benefits

Health Benefits – National Trends

- Medical plan trends are slightly higher than 2017 projections are at 7.9%
- Rx trends will continue to be double digit
- High-cost specialty drugs account for significant increase in Rx spending (rheumatoid arthritis, cancer, Hep C)
- Dental trends will be higher for 2018 than 2017 projections at 4.1%
- Health care trends continue to outpace wage increases and overall consumer price inflation
- Price inflation, not utilization, is leading driver of trend

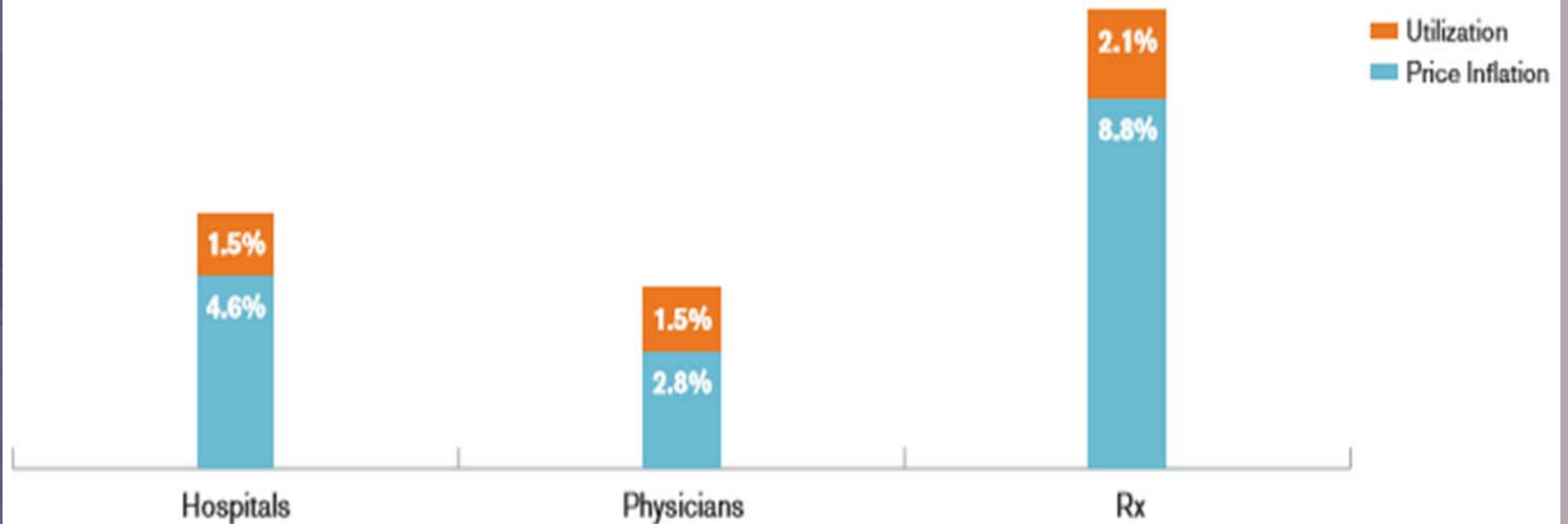
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Benefits

Health Benefits – National Trends Utilization vs Inflation

Price Inflation Is a Much Greater Component of Projected Trends than Utilization*



Benefits

Health Benefits – National Trends Cost Management Strategies 2016 & 2017

- Using specialty pharmacy management
- Intensifying pharmacy management program
- Contracting with value-based providers
- Increasing financial incentives in wellness design
- Adding a high deductible health plan (HDHP)
- Adding telehealth, walk-in and onsite clinics
- Plan designs that steer patients to the right treatment and setting
- Pay for performance based contracting to incent vendors to produce better outcomes

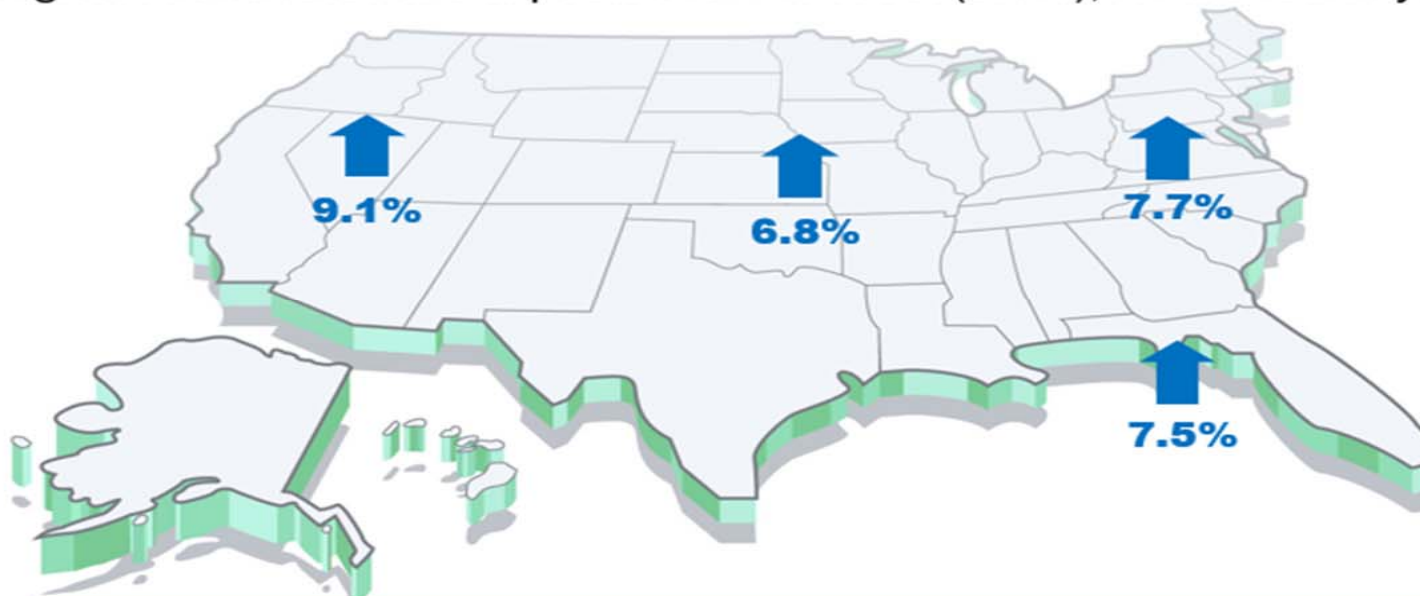
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Benefits

Health Benefits – National Trends Regional Variations

- The lowest trend rates are expected in the Midwest (6.8%)
- The highest trend rates are expected for the West (9.1%), for the fourth year in a row.



National projected trend rates for PPOs and POS plans are 7.9%.

Benefits

Health Benefits – Arizona Trends

- Study conducted by Segal Consulting
- 31 Arizona public sector employers
- 27 single employers/pools/trusts
- Survey data for plan year 2016 & 2017
- NAPEBT data for plan year 2017 & 2018

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Benefits

Health Benefits – Arizona Trend Medical Premium Cost Sharing for Employee-Only

Portion of Monthly Cost of Employee-Only Medical Coverage Paid by the Employee by Plan Type and Percentage of Plans

	PPO/POS*	HDHP/CDHP*
0%	41%	58%
1-9%	21%	19%
10-19%	26%	19%
20-29%	9%	0%
30-39%	1%	0%
40-49%	1%	0%
50-59%	0%	0%
60%+	0%	0%

*The total of the percentages in this column may not equal 100% because some employers offer a credit back to employees.



Benefits

Health Benefits – Arizona Trend Medical Premium Cost Sharing for Employee Plus Family

Portion of Monthly Cost of Employee+Family Medical Coverage Paid by the Employee by Plan Type and Percentage

	PPO/POS	HDHP/CDHP*
0%	0%	6%
1-9%	1%	0%
10-19%	6%	10%
30-39%	4%	13%
40-49%	6%	3%
50-59%	14%	13%
60%+	60%	42%

*The total of the percentages in this column does not equal 100% because some employers offer a credit back to employees.

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Benefits

Health Benefits – Arizona Trend Medical Premium Cost Sharing

Average Monthly Employee Contribution to Medical Plan Costs for Contributory Plans in Dollars by Plan Type, 2017

	Employee-Only Coverage	Employee+Family Coverage
PPO/POS	\$84	\$842
HDHP/CDHP	\$46	\$588

Employee contribution amounts exclude any credit back to employees.

Average Monthly Employer Contribution to Medical Plan Costs for Contributory Plans in Dollars by Plan Type, 2017

	Employee-Only Coverage	Employee+Family Coverage
PPO/POS	\$522	\$673
HDHP/CDHP	\$467	\$694

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Benefits

Health Benefits – Arizona Trend Annual Medical Plan Deductibles

Annual Employee-Only Deductibles by Plan Type		
	PPO/POS*	HDHP/CDHP*
	(41 plans)	(22 plans)
\$0	2%	0%
\$1-499	29%	0%
\$500-999	46%	0%
\$1,000-1,499	15%	0%
\$1,500-1,999	5%	45%
\$2,000-2,499	0%	14%
\$2,500-2,599	0%	36%
\$3,000+	2%	5%
*These deductibles are for in-network services.		

Average Annual Deductible by Plan Type, 2017

	Employee-Only Coverage	Employee+Family Coverage
PPO/POS	\$735	\$1,619
HDHP/CDHP	\$2,041	\$4,073

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Benefits

Health Benefits – Arizona Trend Office Visit Copayments

Copayments for Primary Care Physician and Specialist Office Visits for PPO/POS Plans by Percentage of Plans

	Primary Care Physician (32 plans)	Specialist Office Visits (31 plans)
\$0	22%	24%
\$1-4	0%	0%
\$5-9	0%	0%
\$10-14	2%	0%
\$15-19	5%	2%
\$20-24	10%	0%
\$25-29	27%	7%
\$30+	34%	66%

Average Office Visit Copayment, 2017

	Primary Care Physician Office	Specialist Office Visits
PPO/POS	\$27	\$40

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Benefits

Health Benefits – Arizona Trend Out of Pocket Maximums

Annual Out-of-Pocket Maximums for Employee-Only Coverage for In-Network Services by Plan Type and Percentage of Plans*

	PPO/POS (41 plans)	HDHP/CDHP (22 plans)
\$0	0%	0%
\$1-1,499	5%	0%
\$1,500-2,999	15%	9%
\$3,000-4,499	29%	45%
\$4,500-5,999	17%	32%
\$6,000+	34%	14%

* Out-of-pocket maximum for in-network services only, and includes deductible.

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Benefits

Health Benefits – Arizona Trend Prescription Drug Copayments

Copayments for Retail and Mail-Order Prescription Drugs by Drug Category (Generic, Preferred, and Non-Preferred)								
	<u>Generic</u>			<u>Preferred Brand</u>			<u>Non-Preferred Brand</u>	
	Retail	Mail Order		Retail	Mail Order		Retail	Mail Order
	(49 plans)	(53 plans)		(32 plans)	(42 plans)		(30 plans)	(40 plans)
\$1-4	0%	0%	\$1-9	0%	0%	\$1-14	0%	0%
\$5-9	18%	0%	\$10-19	0%	0%	\$15-29	0%	0%
\$10-14	51%	21%	\$20-29	16%	5%	\$30-44	10%	0%
\$15-19	31%	9%	\$30-39	63%	0%	\$45-59	43%	0%
\$20-24	0%	38%	\$40-49	22%	21%	\$60-74	40%	13%
\$25-29	0%	6%	\$50-59	0%	7%	\$75-89	7%	18%
\$30+	0%	26%	\$60+	0%	67%	\$90+	0%	70%

Data is not shown for plans that do not have fixed dollar copayments for retail and mail-order prescription drugs. In particular, plans that require coinsurance for prescription drugs are not represented in the data above.



Benefits

Health Benefits – NAPEBT Trends

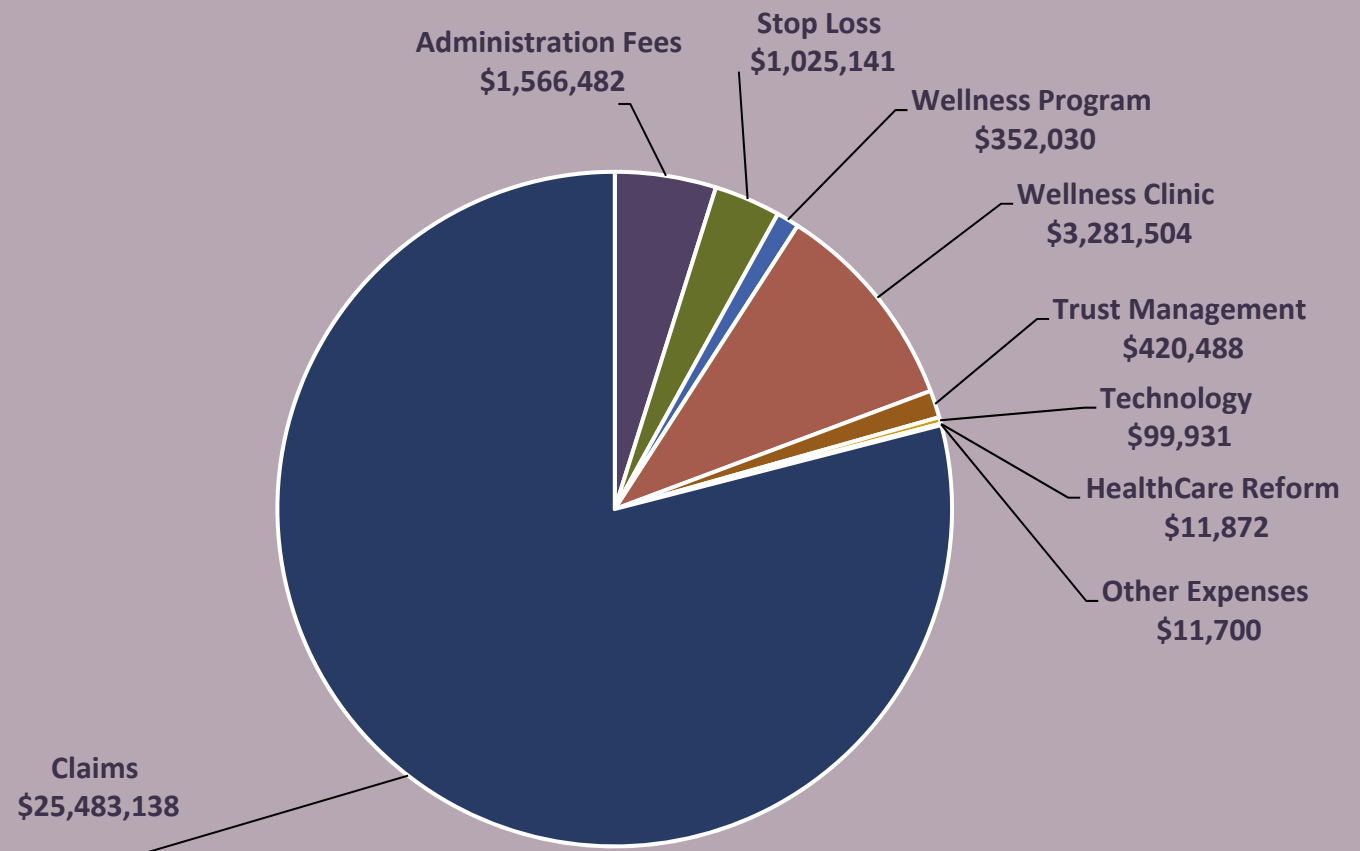
Northern Arizona Public Employee Benefits Trust Medical/Rx Plan Financial History

Plan Year Effective	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016	7/1/2017
Segal Recommended Increase	4.40%	5.90%	6.80%	11.00%	11.30%	18.00%
NAPEBT Rate Action	4.40%	3.00%	0.00%	0.00%	5.00%	13.30%
Actual Medical/Rx Claims Trend ¹	-8.43%	-2.90%	11.56%	6.36%	2.87%	Projected ² 7.5% Medical, 9.0%-11.0% Rx
Actual Medical Claims Trend ¹	-9.65%	-8.20%	8.09%	6.02%	-1.18%	Projected ² 7.5% Medical
Actual Rx Claims Trend ¹	-1.43%	24.93%	24.94%	7.50%	16.19%	Projected ² 9.0%-11.0% Rx
Year-over-Year Medical/Rx Cost Trend ³	-6.64%	-1.21%	9.75%	12.88%	5.13%	N/A
Change in Surplus Reserves (\$\$) ^{4, 5, 6}	\$2,321,864	\$910,068	(\$1,039,550)	(\$4,265,700)	(\$4,219,572)	(\$1,257,263)



Benefits

Health Benefits – NAPEBT Trends



Benefits

Health Benefits – NAPEBT Trends

- Medical trend of 6.0%
- Rx trend of 9.0%
- Increase in administration fees of 2.61%
- Increase in stop loss of 17.14%
- Increase in trust management of 7.68%
- Increase in health care reform of 5.19%

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Benefits

Health Benefits – NAPEBT Renewal

- Medical premium increase of 9.5% for all plans
- Rx generic copay increase from \$5 to \$8
- Medical Out of Pocket Maximum increase of \$500 for all plans
- Emergency Room copay increase after 3rd visit
- Dental premium increase of 7%

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Benefits

Health Benefits – NAPEBT Renewal Additional Benefits

- Alternative medicine
- Hearing aides (maximum of \$2,500)
- Telemedicine

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Benefits

Wellness – Incentive Program

- Wellness Incentive Program began in 2011
- Provide a workplace that supports employees, families and communities in health and wellness to optimize quality of life
- 1,810 NAPEBT employees participate in the wellness program including 488 from the City in FY16-17
- Participants in wellness program have higher risk score than non-participants
- 2 NAPEBT Wellness Employees

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Benefits

Wellness – Incentive Program Successes

- 606 of employees report the wellness program helped make improvement to their health
- 93.9% of those participating achieve level 3
- Bend the trend
 - Risk adjusted medical Per Member Per Month (PMPM) is 19.9% lower for wellness participants
 - Risk adjusted pharmacy PMPM is 24.3% lower for wellness participants
 - Total PMPM is 21% lower for wellness participants
 - Emergency room utilization is 13.3% lower for wellness participants
 - Inpatient admissions are 22.7% lower for wellness participants

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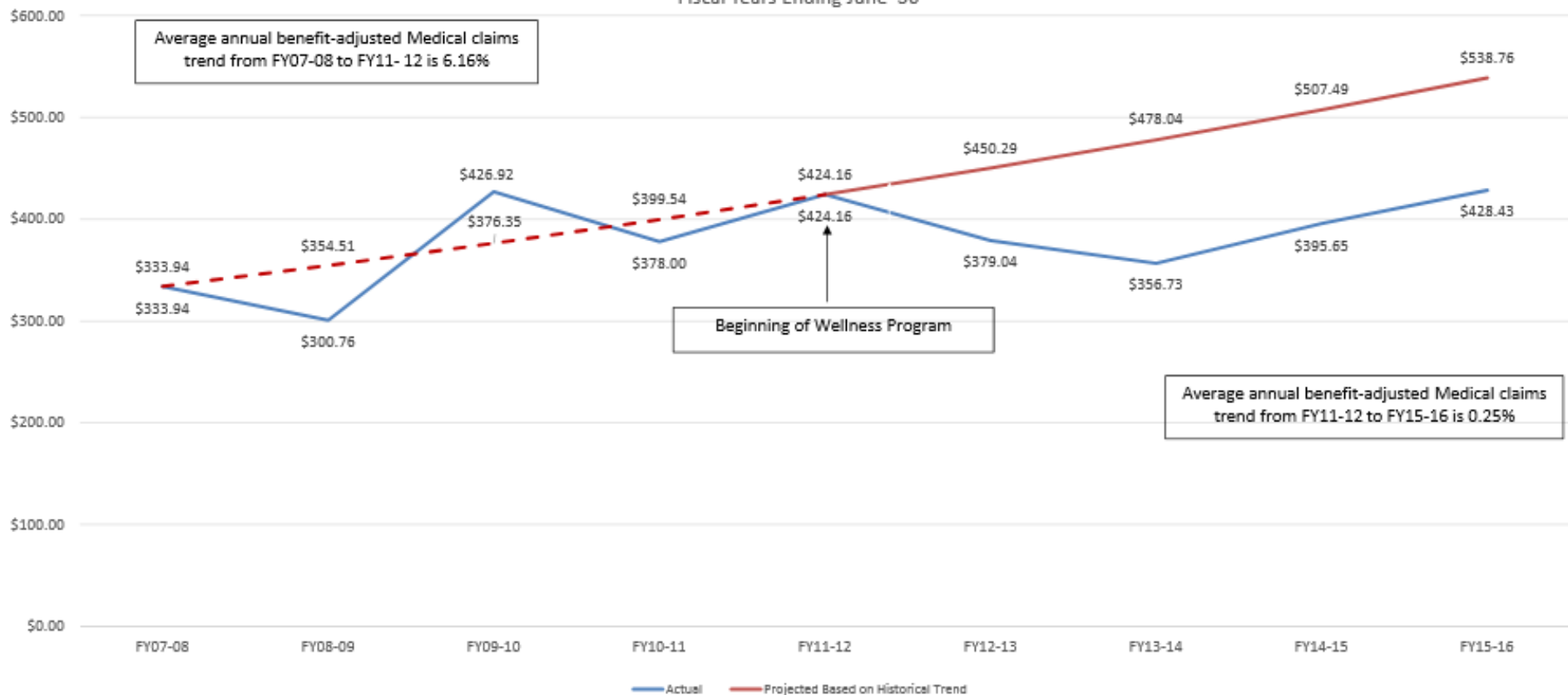
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Benefits

Wellness – Incentive Program Successes

Northern Arizona Public Employees Benefit Trust
Historical PEPM Medical Claims vs. Medical Claims Increased at Historical Trend Rates
Fiscal Years Ending June 30



Benefits

Wellness – Near Site Clinic

- Provide quality medical services while reducing long term health care costs
- Evaluated seven proposals
- Opened VERA Clinic November 2015
- FY16-17 cost of \$3,354,910
- Participation
 - Year 1 2,366 unique patients
 - Year 2 1,022 unique patients
 - 51% of City of Flagstaff employees

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Benefits

Wellness – Near Site Clinic 2017 Initiatives

- Financial health workshop
- Whole health inter-agency wellness challenge
- Community connection “No Cans” food drive

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Benefits

Wellness – Near Site Clinic Successes

- Decreased number of employees without PCP from 44% to 41%
- Overall patient satisfaction 4.7/5.0
- Savings of \$1.3 million Y1
- Bend the trend
 - Risk adjusted medical PMPM is 3.9% lower for clinic users
 - Risk adjusted pharmacy PMPM is 28.2% lower for clinic users
 - Total PMPM is 9.3% lower for clinic users
 - Emergency room visits and admissions are lower for clinic users

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Benefits

Wellness – Near Site Clinic Year 2 Additions

- Increase provider capacity
- Health coach micro workshops
- Onsite prevention
- Fit-for-Fitness program
- Telehealth

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Benefits

Maternity/Paternity Leave

- 5-year look back
 - 86 employees took Family Medical Leave Act (FMLA) for birth and/or adoption of a child
 - \$23,582.40 average salary for employee taking FMLA
 - \$13,539 cost of 1-week backfill
 - \$855 cost of 1-week acting pay compensation



Benefits

Maternity/Paternity Leave

- 4 weeks of pay \$57,576
- 8 weeks of pay \$115,152
- 12 weeks of pay \$172,728
- Additional Considerations
 - More employees may take FMLA if paid
 - Priority when compared to other benefits and/or compensation



Public Safety Personnel Retirement System (PSPRS)

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PSPRS

Unfunded Liability Status

- Actuarial report issued annually
- Based on June 30 data
- Report available in December
 - Available on the web: psprs.com
 - Historical report from FY 2009
- Report provides various data

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PSPRS

Unfunded Liability Status

6/30/2016	Fire	Police	Total
Accrued Pension Liability	\$ 74.5 M	\$ 69.5 M	\$ 144.0 M
Trust Assets	\$ 28.7 M	\$ 26.0 M	\$ 54.7 M
Unfunded Liability	\$ 48.8 M	\$ 43.5 M	\$ 92.3 M

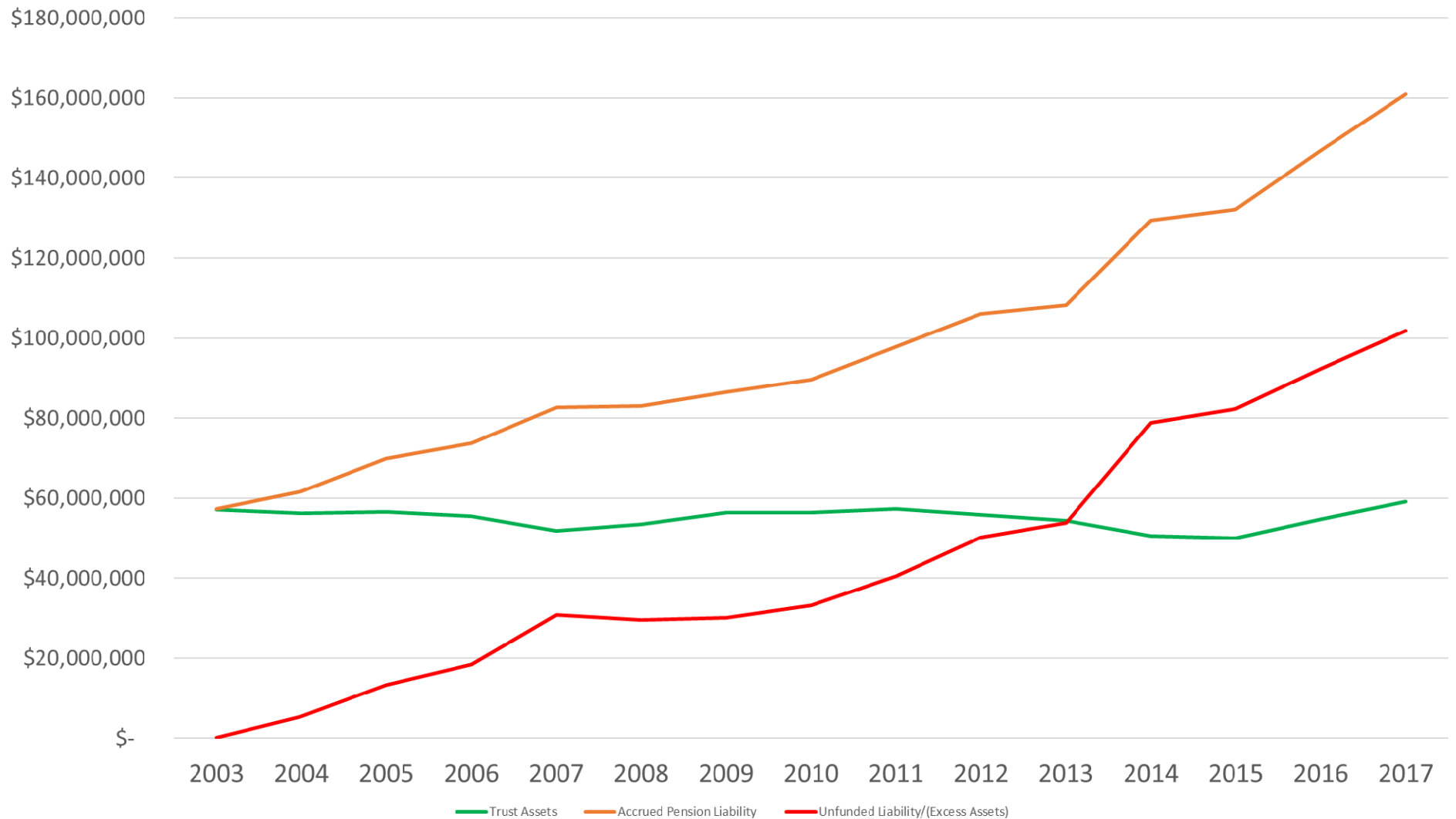
6/30/2017	Fire	Police	Total
Accrued Pension Liability	\$ 85.8 M	\$ 75.2 M	\$ 161.0 M
Trust Assets	\$ 30.5 M	\$ 28.6 M	\$ 59.1 M
Unfunded Liability	\$ 55.3 M	\$ 46.6 M	\$ 101.9 M

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PSPRS

City of Flagstaff - PSPRS Trust Fund History (Fire and Police)



PSPRS

FY 2019 Rates and Costs

- Actuarial Report 6/30/2017
 - Fire PSPRS
 - Rate increased from 75.11% to 84.17%
 - Expense increase \$561,063
 - Primarily due to assumption changes
 - Police PSPRS
 - Rate increased from 54.73% to 59.28%
 - Expenses increase \$383,552
 - Primarily due to assumption changes and payroll base



PSPRS

FY 2019 Rates and Costs

- Assumption Changes
 - Decreased rate of return (7.5% to 7.4%)
 - Decrease in wage inflation (4.0% to 3.5%)
 - Updated Mortality Tables
 - Updated withdrawal, disability and retirement assumptions

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PSPRS

FY 2019 Rates and Costs

Contribution Rate	Fire Pension	FD Financial Impact	Police Pension	PD Financial Impact
Contribution Rate at 6/30/2016				
Valuation	75.11%	\$ 4,651,376	54.73%	\$ 4,613,585
Asset Loss	0.33%	\$ 20,436	0.23%	\$ 19,388
Tier 2	-0.12%	\$ (7,431)	-0.26%	\$ (21,917)
Payroll Base	0.19%	\$ 11,766	2.19%	\$ 184,611
PBI	0.74%	\$ 45,826	0.56%	\$ 47,206
Benefit Changes	-0.39%	\$ (24,152)	-0.41%	\$ (34,562)
Assumption Changes	7.75%	\$ 479,938	2.25%	\$ 189,669
Other	0.56%	\$ 34,679	-0.01%	\$ (843)
Contribution Rate at 6/30/2017				
Valuation	84.17%	\$ 5,212,439	59.28%	\$ 4,997,137
Total Change in Rate	9.06%	\$ 561,063	4.55%	\$ 383,552

- In FY 2018, PSPRS contributions made up 14% of the General Fund operating budget.

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PSPRS

FY 2019 Rates and Costs

Fire PSPRS

Extra Contribution	\$ 0 M	\$ 1 M	\$ 2 M	\$ 3 M	\$ 4 M	\$ 5 M
Impact on Funding Status	35.5%	36.7%	37.9%	39.1%	40.3%	41.5%
Impact on FY 2019 Contribution Rates	84.17%	82.81%	81.44%	80.80%	78.71%	77.35%

Police PSPRS

Extra Contribution	\$ 0 M	\$ 1 M	\$ 2 M	\$ 3 M	\$ 4 M	\$ 5 M
Impact on Funding Status	38.1%	39.5%	40.9%	42.2%	43.6%	45.0%
Impact on FY 2019 Contribution Rates	58.98%	57.90%	56.82%	55.75%	54.67%	53.59%

It would take in excess of \$17M one time payment to maintain FY 2018 rates



PSPRS

Consideration of Changing Amortization Period

- Cities are allowed to change to longer amortization periods
 - 25 and 30 year options
 - One time request
 - Cannot change after request
- Staff Recommendation
 - Change to 30 year amortization period
 - Changes minimum contribution rates for Fire (84.17% to 66.85%) and Police (59.28% to 47.34%)
 - Maintain contributions at FY 2018 rates
 - Fire – 75.11% and Police – 54.73%
 - FY 2019 contributions lowered by \$950,000

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PSPRS

Pension Policy Development

- Pension Task Force Recommendations
 - Budget contributions for Deferred Retirement Option Plan (DROP) – City phasing in
 - Prepay your budgeted contributions – City currently doing
 - Don't defer impact of Fields Case – City did not defer
 - Prepare a comprehensive study – Budgeted
 - Pay off unfunded liability earlier – Not doing
 - Create a pension policy
- Staff is beginning to develop a formal pension policy

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PSPRS

What are Other Cities Doing?

- Prescott
 - 2015 sales tax election failed – 0.55% rate
 - Reduction in services
 - Sub-committee formed/recommendations given
 - Aug 2017 sales tax election passed – 0.75% rate
- Globe
 - Council approved 0.3% dedicated sales tax
 - \$1M one time payment from savings
- Paradise Valley
 - \$1M one time payment in FY 2016
 - \$5M one time payment in FY 2017

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General Obligation Bonds

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General Obligation Bonds

Topics for Today

- History of General Obligation (GO) Bonds Authorized-20 Years
- Legal limits
- Secondary Property Tax
- Capacity based on current policy

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General Obligation Bonds

History of GO Bonds Authorized-20 Years

- Requires voter approval

ELECTION DATE	GENERAL OBLIGATION BOND QUESTION	AMOUNT	PASS/FAIL
11/5/1996	Improving Various Parks and Recreation Services	\$8,200,000	PASS
5/18/2004	Fire Fighting Facilities and Acquisition of Emergency Response Vehicles and Equipment	\$16,800,000	PASS
5/18/2004	Neighborhood Open Space and FUTS Land Acquisition	\$7,600,000	PASS
5/18/2004	Regional Open Space – Observatory Mesa Land Acquisition	\$5,500,000	PASS
5/18/2004	McMillan Mesa Open Space Land Acquisition	\$10,100,000	FAIL
5/18/2004	Multi-Generational Recreation Center: Expansion or New Construction	\$6,100,000	PASS
5/18/2004	Municipal Swimming/Aquatic Center Construction	\$8,600,000	PASS
5/18/2004	Lake Mary Regional Park and Other Parks Land Acquisitions	\$2,800,000	PASS
5/18/2004	Continental Park Recreational Field Development	\$3,100,000	FAIL
5/18/2004	Snow Play Area Development	\$4,100,000	FAIL

General Obligation Bonds

History of GO Bonds Authorized-20 Years

- Requires voter approval

ELECTION DATE	GENERAL OBLIGATION BOND QUESTION	AMOUNT	PASS/FAIL
11/2/2010	Municipal Court House	\$23,000,000	FAIL
11/2/2010	Municipal Services Maintenance Center	\$42,000,000	FAIL
11/2/2010	Public Safety/City Operations Communications Systems	\$4,720,000	PASS
11/6/2012	Forest Health and Water Supply Protection Project	\$10,000,000	PASS
11/6/2012	Core Services Maintenance Facility	\$14,000,000	PASS
11/8/2016	Municipal Court House	\$12,000,000	PASS



General Obligation Bonds

History of GO Bonds Authorized-20 Years

- GO Bonds to be issued - \$21,162,713
 - Lake Mary Regional Park and other park land acquisitions = \$2,800,000
 - Public Safety/City Operations Communication System - \$362,713
 - Forest Health and Water Supply Protection Project - \$6,000,000
 - Municipal Court House - \$12,000,000

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General Obligation Bonds

Legal Limits

- Legal Limits – Assessed Valuations
- 20% Limitation
 - Water, sewer, artificial lighting, parks, open space, recreational facilities, public safety, law enforcement, fire and emergency services and street and transportation facilities
 - Allowable = \$140M
 - Current Outstanding = \$46M
 - Current Available = \$94M

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General Obligation Bonds

Legal Limits

- Legal Limits – Assessed Valuations
- 6% Limitation (i.e. Housing)
 - Everything else
 - Allowable = \$42M
 - Current Outstanding = \$0M
 - Current Available = \$42M

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General Obligation Bonds

Secondary Property Tax Rate

- Currently 0.8366 per \$100 of Assessed Valuation
- Only allowed to make debt service payments (principle and interest)
- Recent changes:
 - Assessed Valuation same as used for Primary Property Tax
 - Assessed Valuation maximum 5% increase
 - Limited to maintain 10% fund balance
- Used fund balance to pay off \$6M debt

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General Obligation Bonds

Capacity Based on Current Policy

- Currently 0.8366 per \$100 of Assessed Valuation
- For planning purposes:
 - Generally debt is issued for 20 years
 - Plan to issue 100% of approved bonds
 - Conservative projection of Assessed Valuations
- Estimated Capacity \$50M
 - Remaining capacity through FY 2040
 - Majority of debt paid off by FY 2022

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Affordable Housing

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Affordable Housing

Several tasks, all related somehow

- Use of City owned land for affordable housing
- Potential redevelopment of existing housing sites
- “What’s next?” after the Affordable Housing Scattered Site Request for Proposals
- Examination and update of the Incentive Policy for Affordable Housing
- Potential bond issue

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Council Goals

- Support development and increase the inventory of public and private affordable housing for renters and home owners throughout the community.

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Council Objectives

- Pursue financing strategies for affordable housing to create additional rental and ownership housing opportunities
- Increase the number of affordable rental units
- Adopt a primary property tax rate increased to the maximum allowed with additional funds dedicated to setting up robust city-managed rental housing units
- Seek private developer partnerships to increase affordable housing inventory in both rental and ownership units
- Modify the building and zoning codes to encourage more affordable housing options

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Council Priorities

- Create an Affordable Housing ballot measure for the November 2018 election that includes a comprehensive revolving fund consideration
- Examine the recommendations provided in the Economic Collaborative of Northern Arizona's (ECONA) report and the Housing Summit
- Explore more incentives and subsidies to increase the number of affordable homes
- Subsidize new infrastructure for affordable housing and enter into agreements with the development community
- Revisit the Affordable Housing Incentive Policy to make it more flexible and attractive for developers

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Use of City Owned Land

2017/2018

- Scattered Site Request for Proposals (SSRFP)
- Anticipated Low Income Housing Tax Credit (LIHTC) application in April
- If awarded, construction in 2019
- Completion estimated to be within 2 years of start of completion

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Use of City Owned Land

What's next?

- Remaining affordable housing land resources limited

Land Designated for Affordable Housing

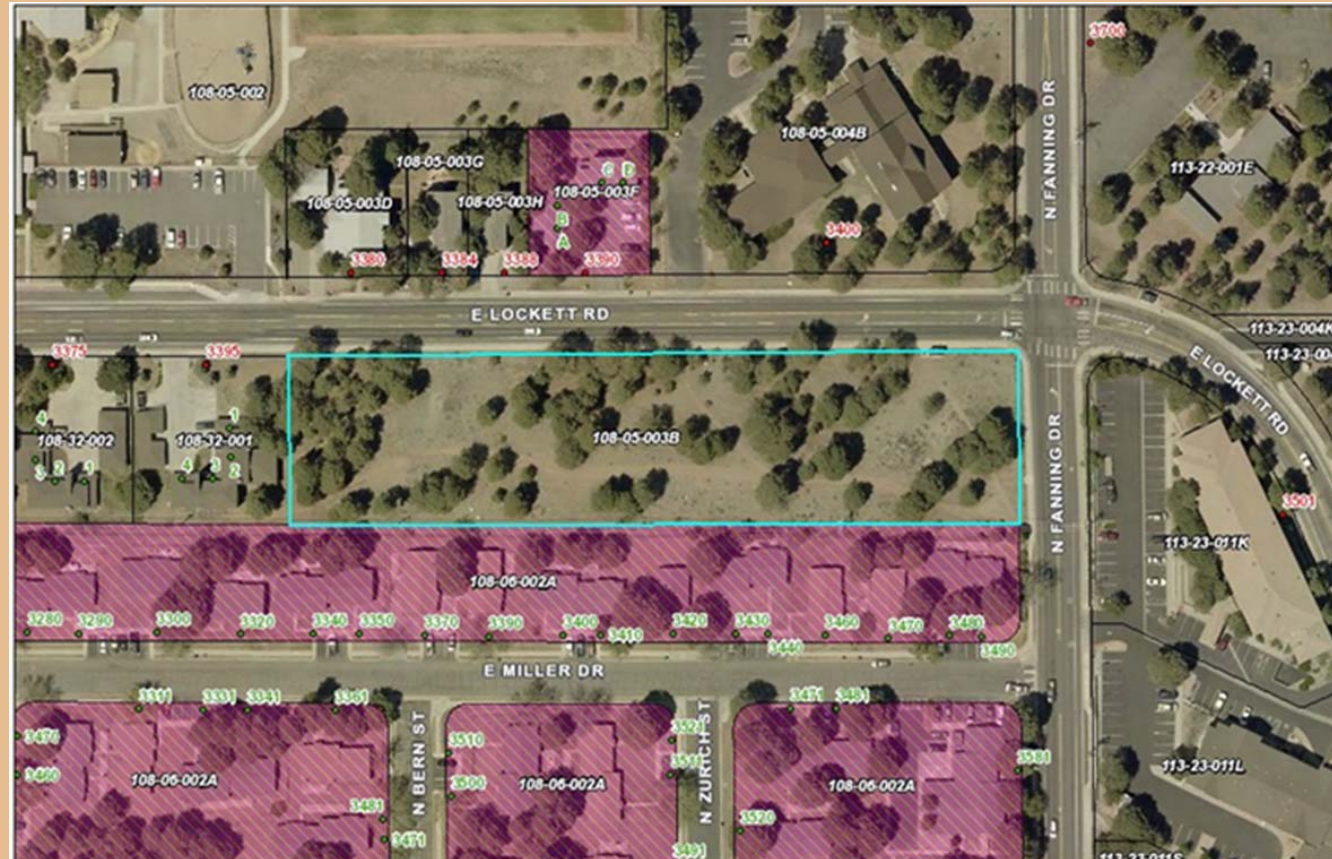
- John Wesley Powell
- Aztec adjacent to Clark Homes
- Schultz
- Lockett/Fanning (in process)

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Use of City Owned Land

What's next?



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Use of City Owned Land

What's next?

- What about the money?
 - Lockett/Fanning purchase utilizes all remaining funding in the “Land Acquisition” account
 - Potential revenue for fund

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Use of City Owned Land

What's next?

- Timing is critical with funding processes
- Proposed “next steps” are big ones

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Plan Moving Forward

- Identify potential developer or co-developer to partner on:
 - Development Plan for new unit creation
 - Creation of new units on Lockett/Fanning
 - Scoping of development on vacant parcels
 - Potential redevelopment of public housing sites
 - Identification of funding sources

Relocation is key to any redevelopment efforts!

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Plan Moving Forward

- Staff is reviewing tools utilized by other public entities
- Options will be brought to Council this summer

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What else is going on?

- Evaluation of other City owned land for affordable housing use
- Incentive Policy update
 - Able to prioritize after development partner submits LIHTC application in April
- Request for Proposal (RFP) or Request for Statement of Qualifications (RSOQ) to identify development partner

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Affordable Housing

Funding

- Flagstaff is too small to be considered a Metro Area and too big to access rural funding

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Affordable Housing History – Studies/Reports

- 1973 “The Flagstaff Housing Story”
- 1999 “Expanding Affordable Housing Opportunities in Flagstaff”
- 2005 “Housing Policy Task Force”
- 2007 “Challenges, Solutions & Opportunities”
- 2008 “Housing and Community Sustainability Nexus Study”
- 2017 “Housing Attainability for the Flagstaff Workforce”

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Affordable Housing

History

- Consistent Recommendations:
 - Use of City owned land
 - Regulatory reform
 - Demand and supply side assistance
 - Community involvement and education
 - Creation of a local funding source

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Affordable Housing

ECONA Study and Recommendations

- Explore options for recurring local funding source
- Pursue bond issue for affordable and workforce housing
- Create structures to recapture and recycle housing investments

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Affordable Housing

What can you do with a bond for affordable housing?

- Create units
- Prepare sites for development
- Land acquisition
- Assist households over 80% AMI
- Leverage other funding
- Enhance Incentive Policy

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Affordable Housing

- Create an affordable housing ballot measure for the November 2018 or November 2020 election that includes a comprehensive revolving fund consideration
- Examine the recommendations provided in ECONA's report from ECONA and the Housing Summit
- Explore more incentives and subsidies to increase the number of affordable homes
- Subsidize new infrastructure for affordable housing and enter into agreements with the development community

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Affordable Housing

Seeking Direction:

Does Council want a bond initiative for affordable housing?

If yes, what is the timing?

- 2018
- 2020

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Employee Survey 2017 Results

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2017 Employee Survey

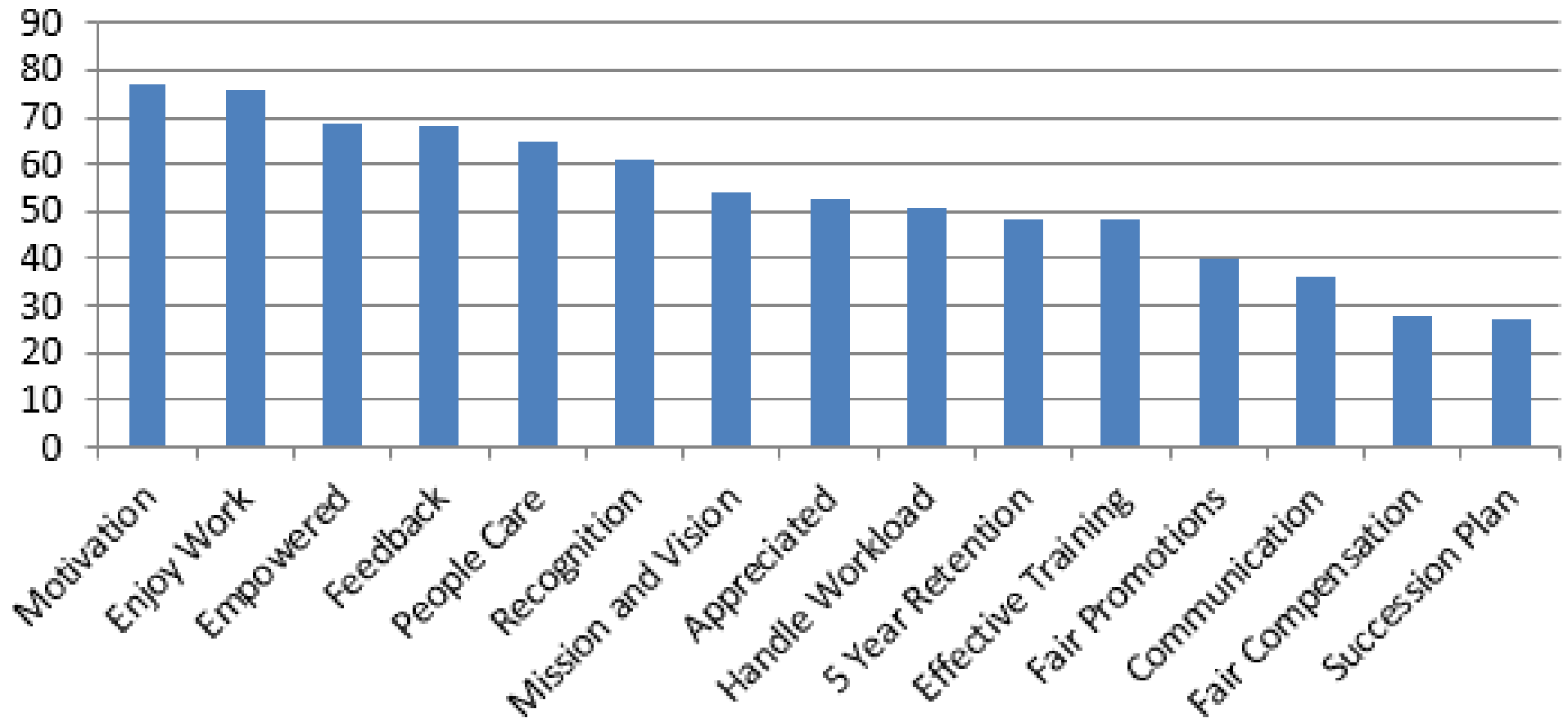
- June / July 2017
- 16 questions
 - Baseline questions from 2013 and 2015 surveys
- Open to all City employees
- Online survey (paper copies available)
- 434 respondents (up from 245 in 2015)

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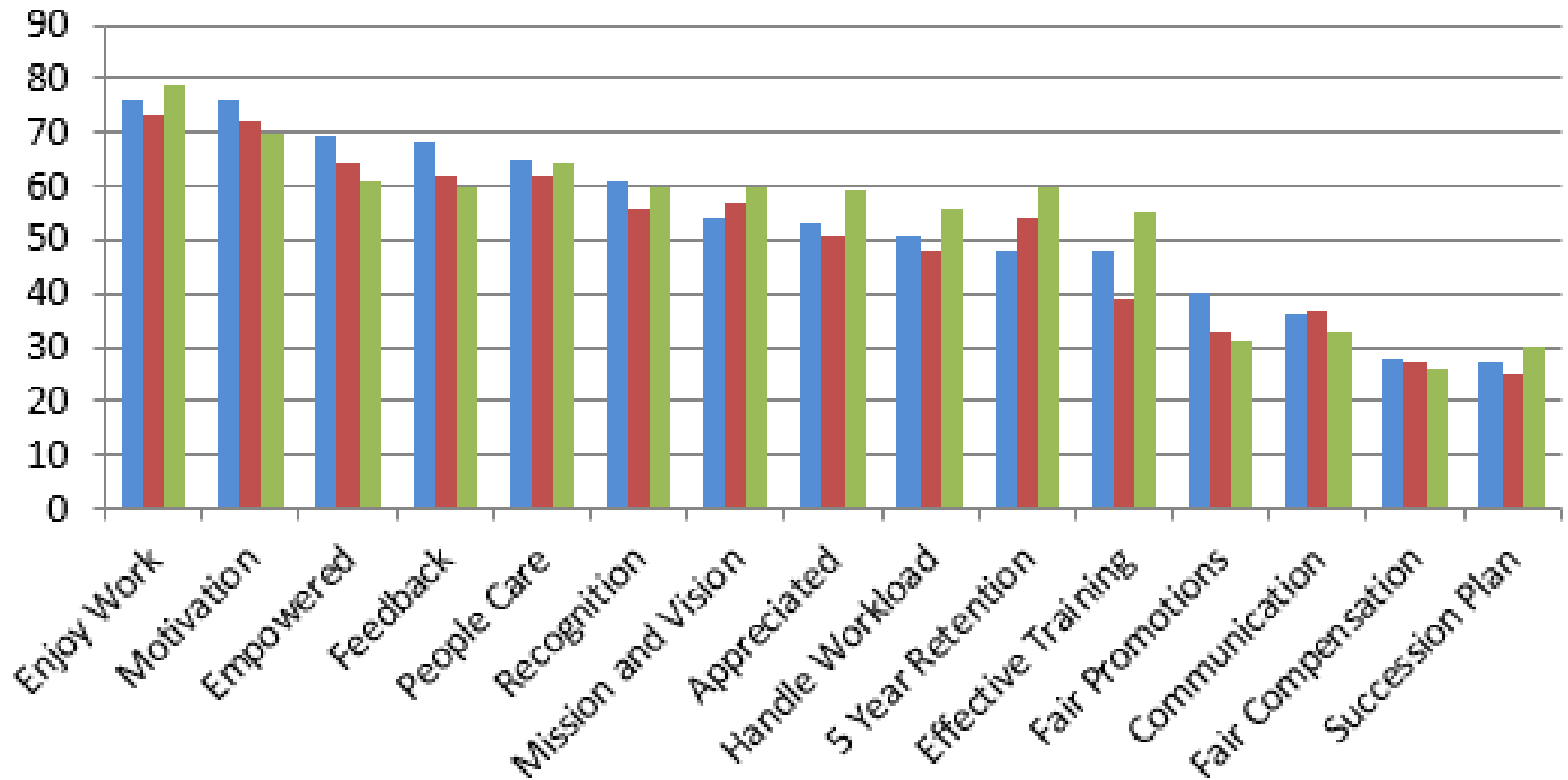
2017 Results

Percent of Employees – Strongly Agree/Agree



2017, 2015 and 2013 Results

Percent of Employees – Strongly Agree/Agree



Areas of Significant Increase

- Strongly agree and agree increased by 5% or more

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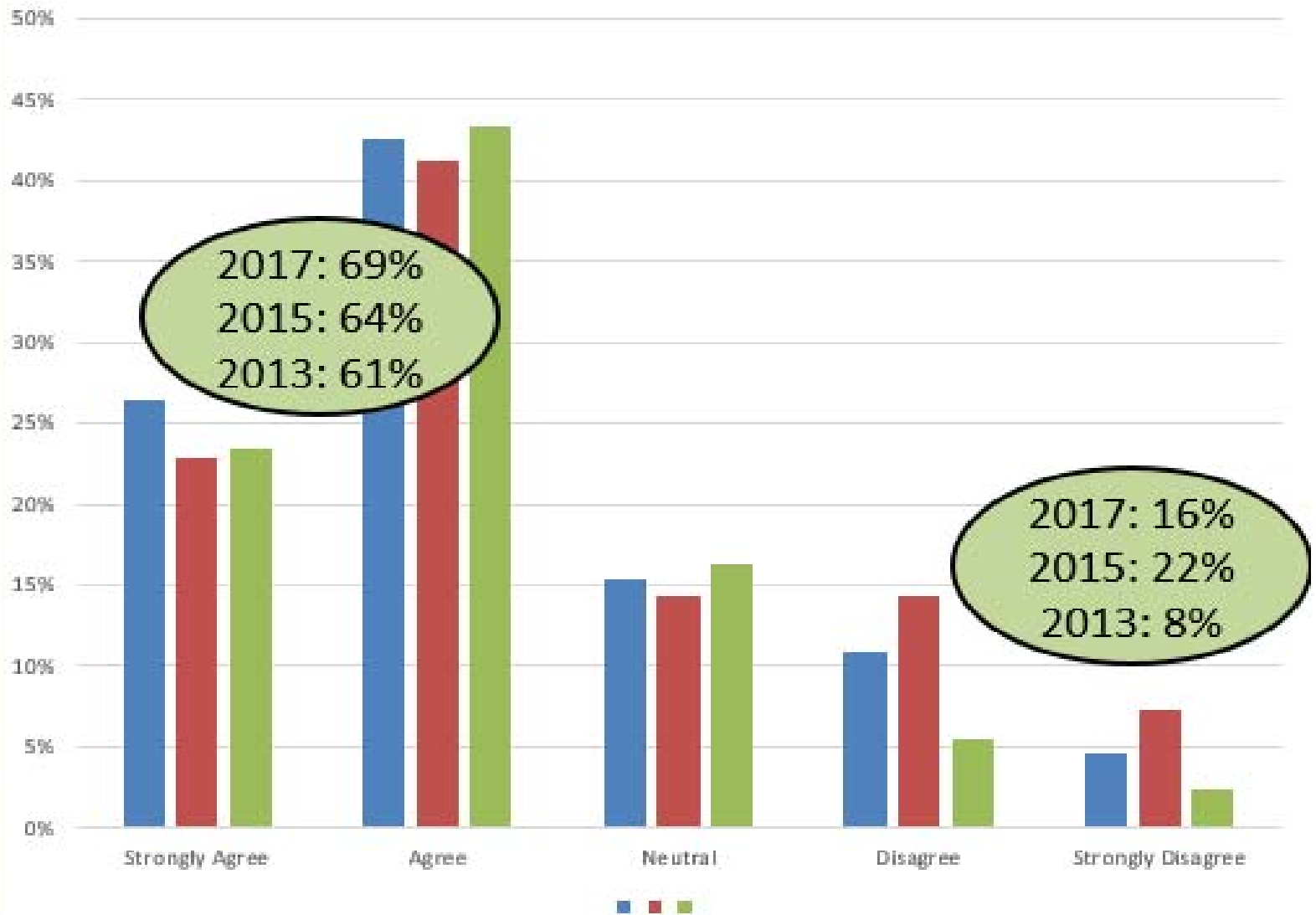


My direct supervisor motivates me to perform my best

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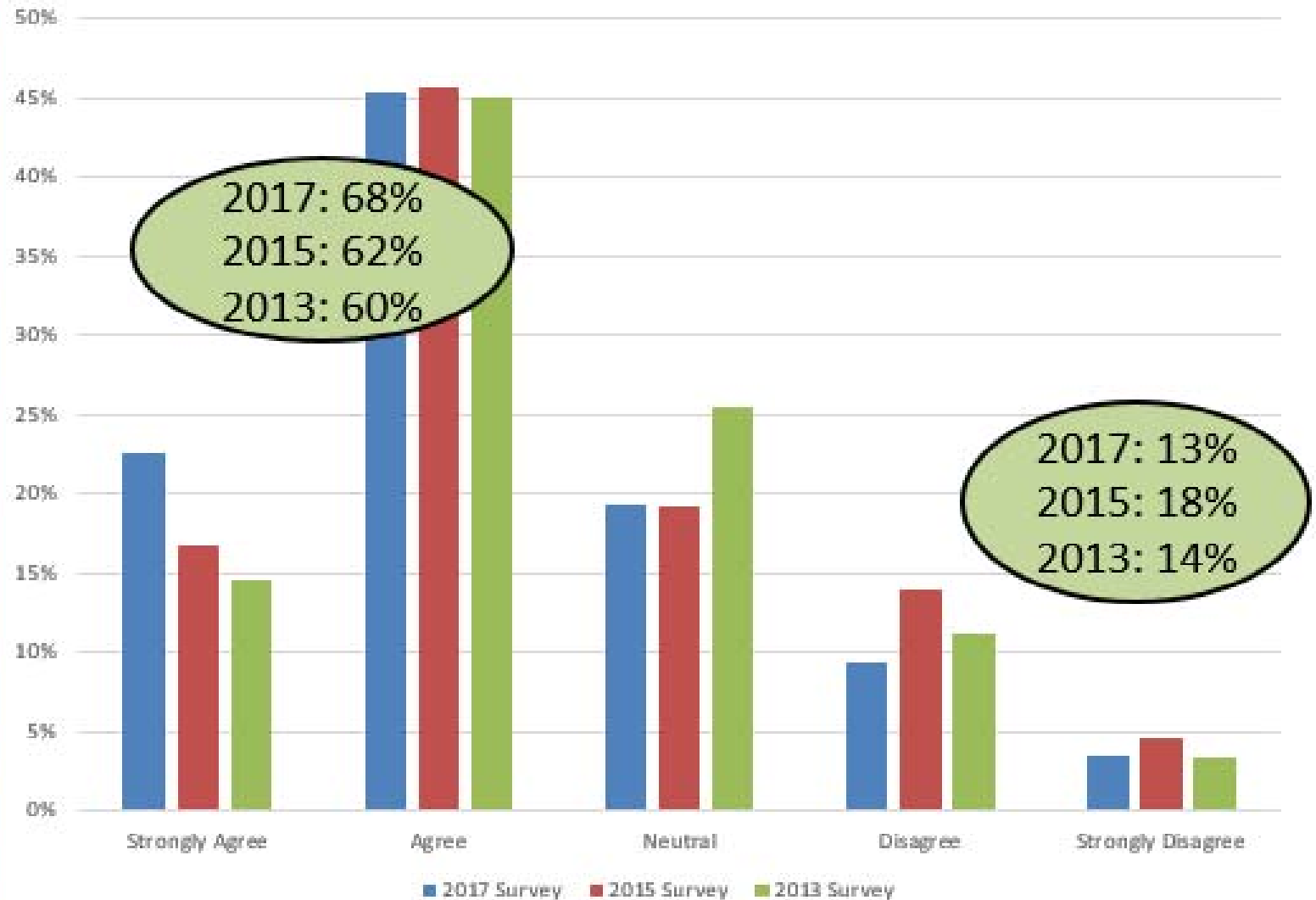
I am empowered to engage in problem-solving without having to go through several levels of approval



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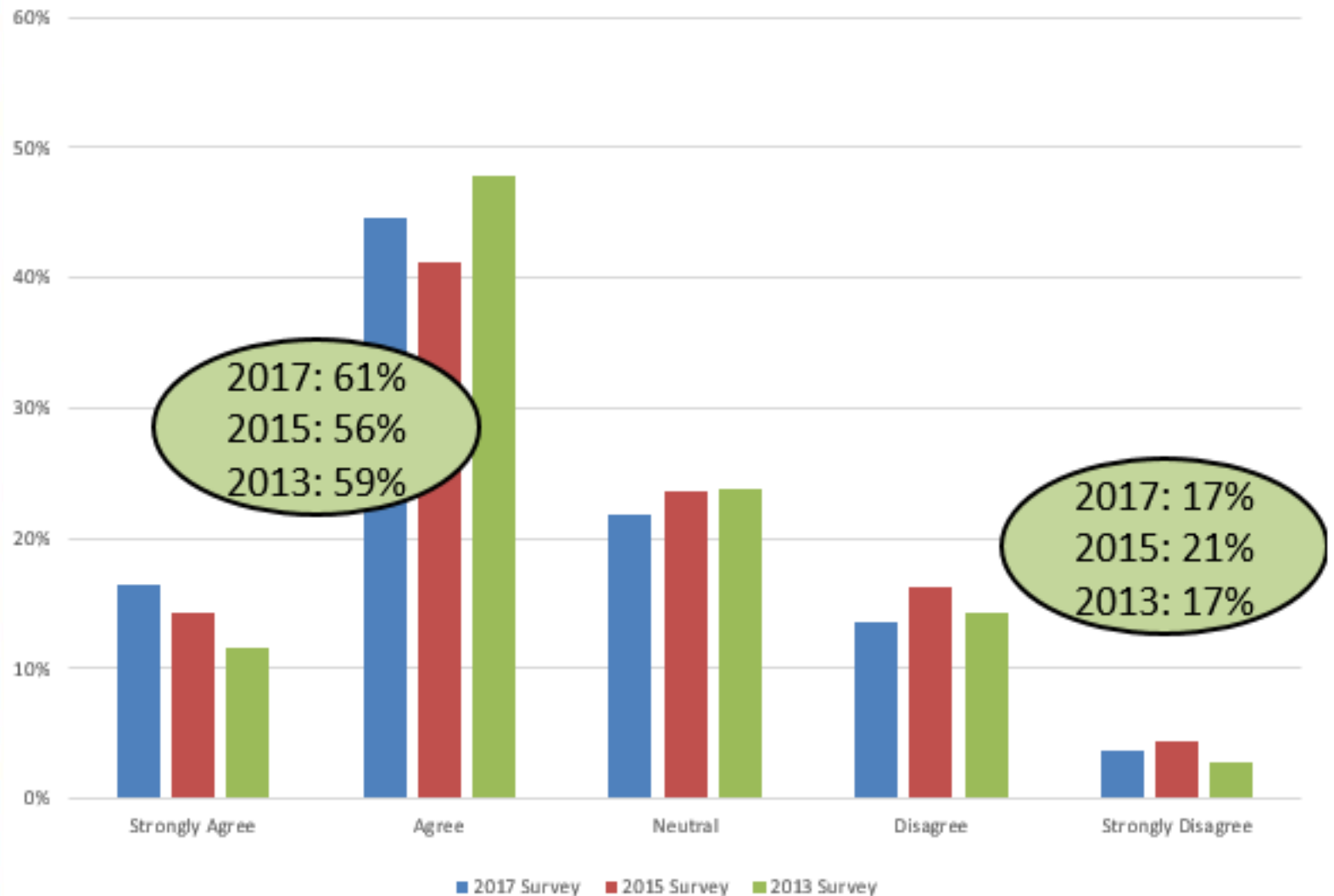
The feedback I receive regarding my performance helps me to improve the quality of my work



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I am recognized when I do good work

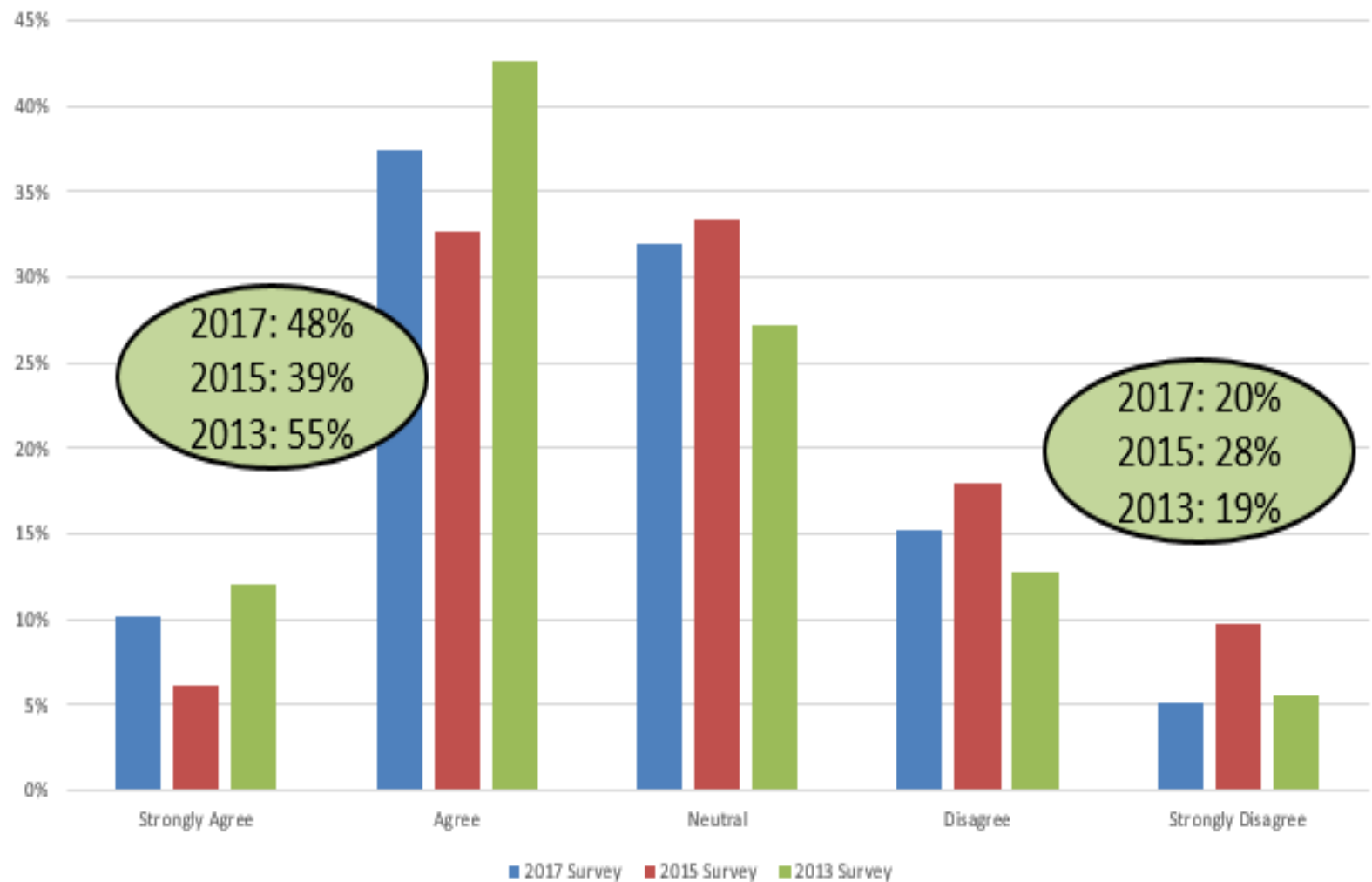


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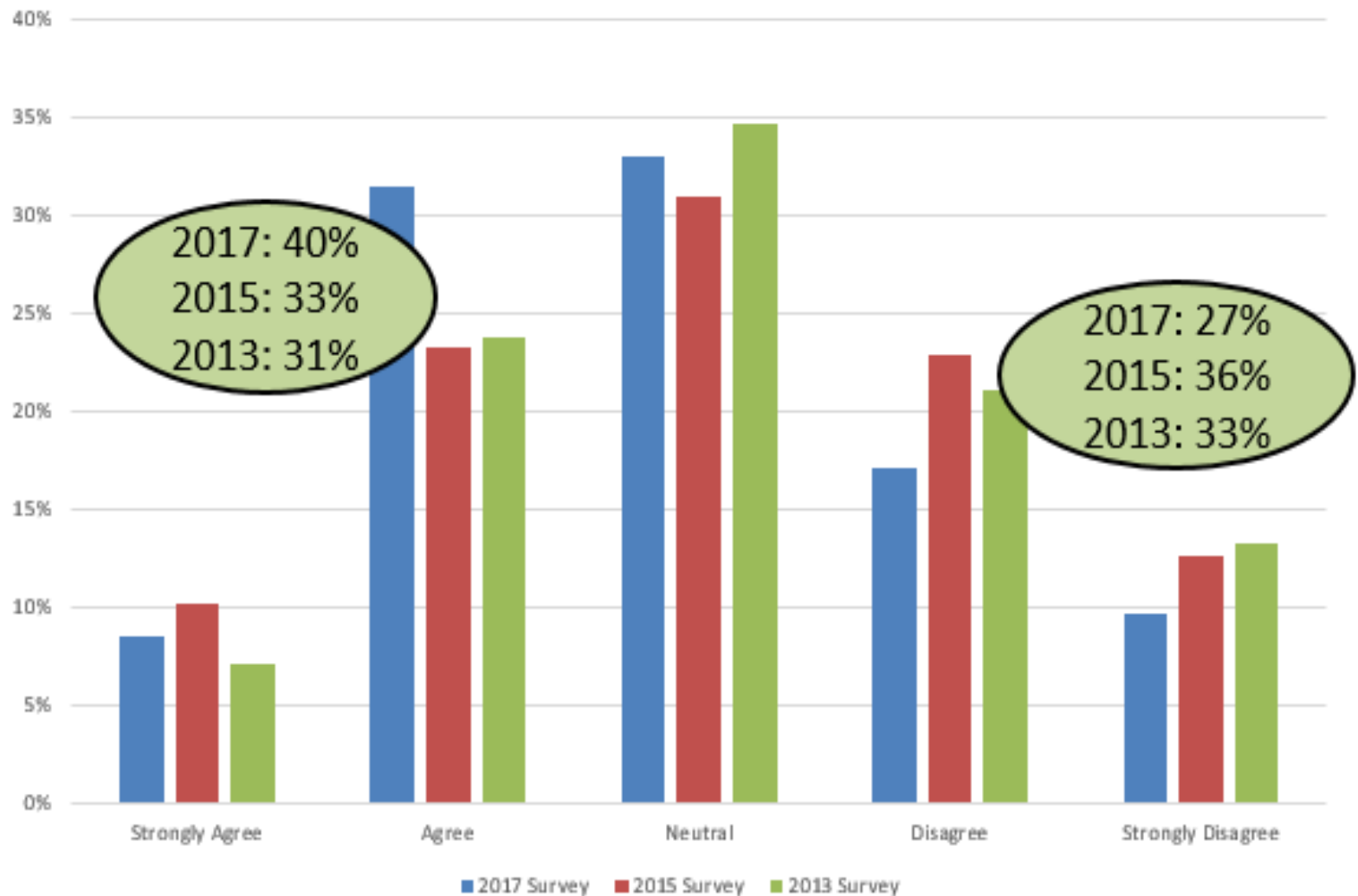


The City of Flagstaff provides effective training in areas of need

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Promotions are awarded fairly



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Areas of Significant Decrease

- Strongly agree and agree decreased by 5% or more

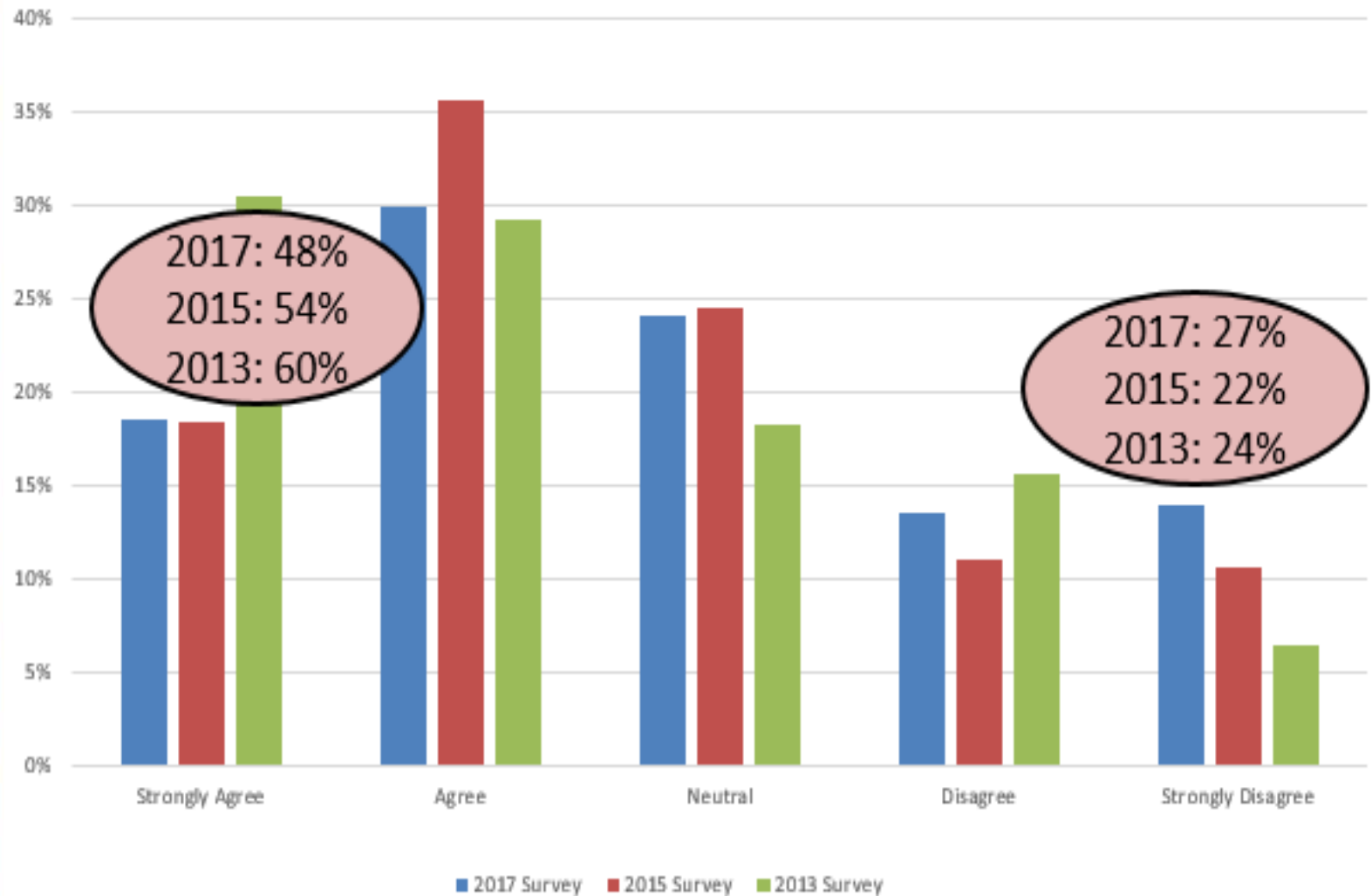
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I expect that I will still be working for the City of Flagstaff in 5 years



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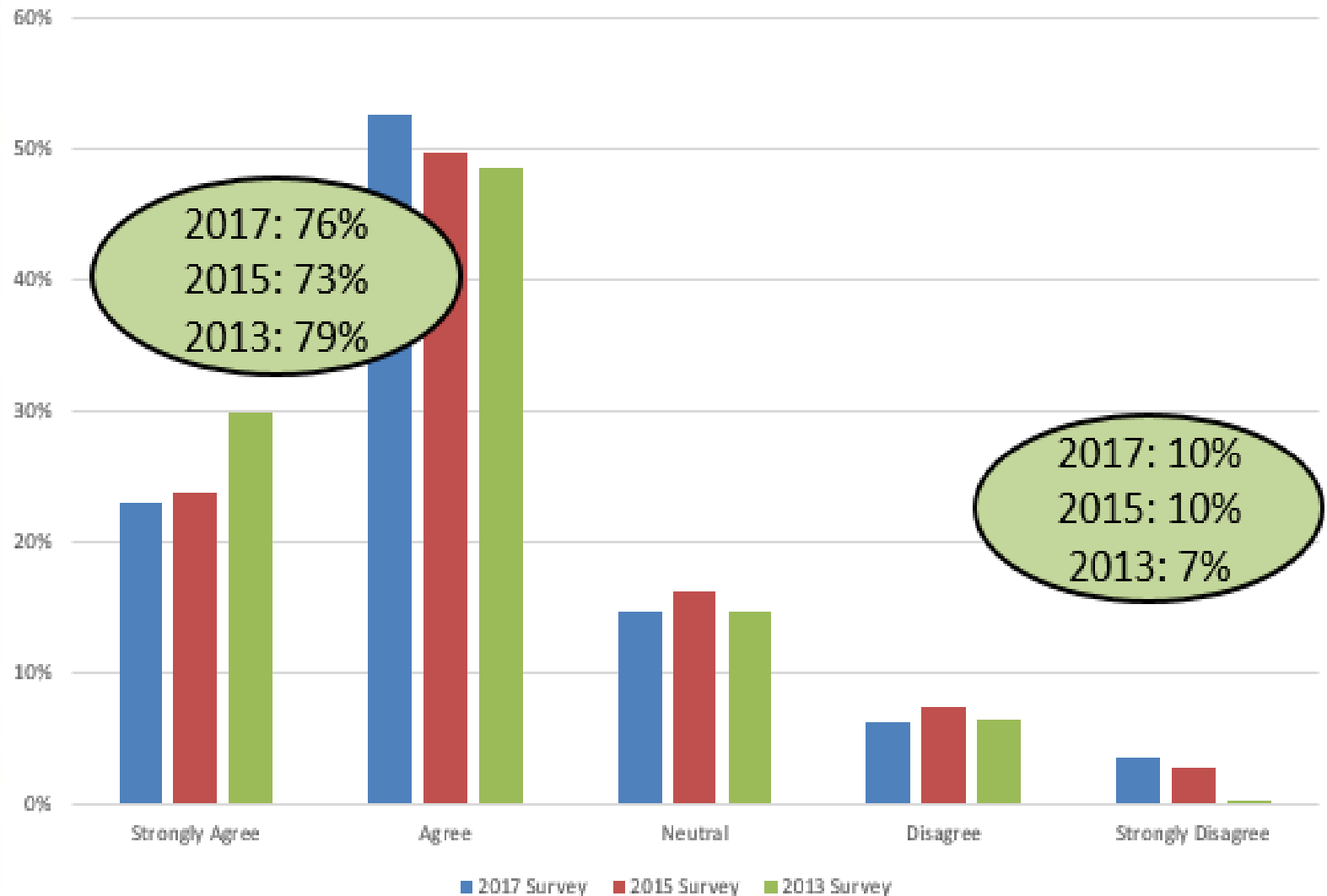
Areas of No Significant Change

- Increase or decrease of less than 5%

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Overall, I enjoy coming to work every day

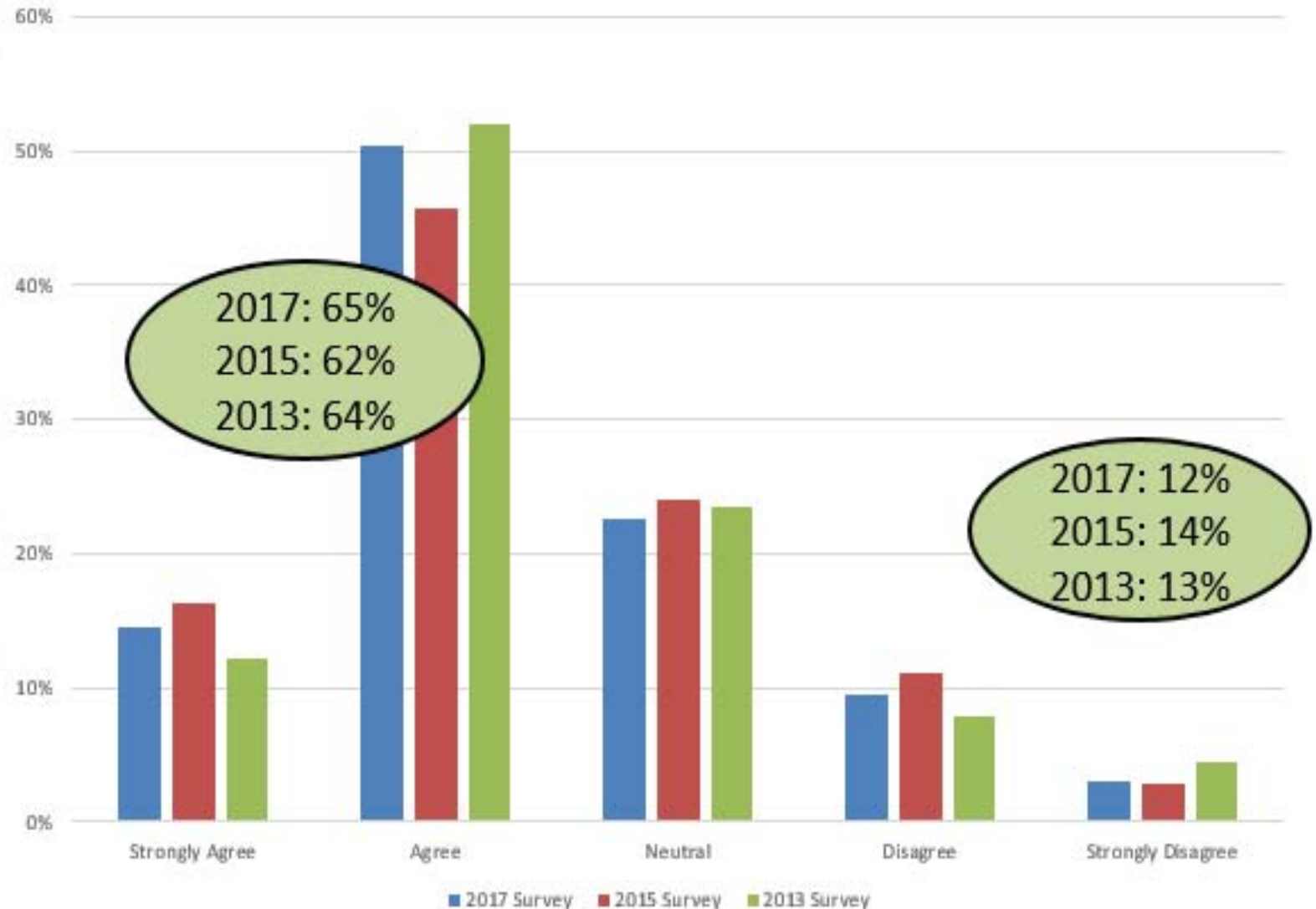


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People care about each other at the City of Flagstaff

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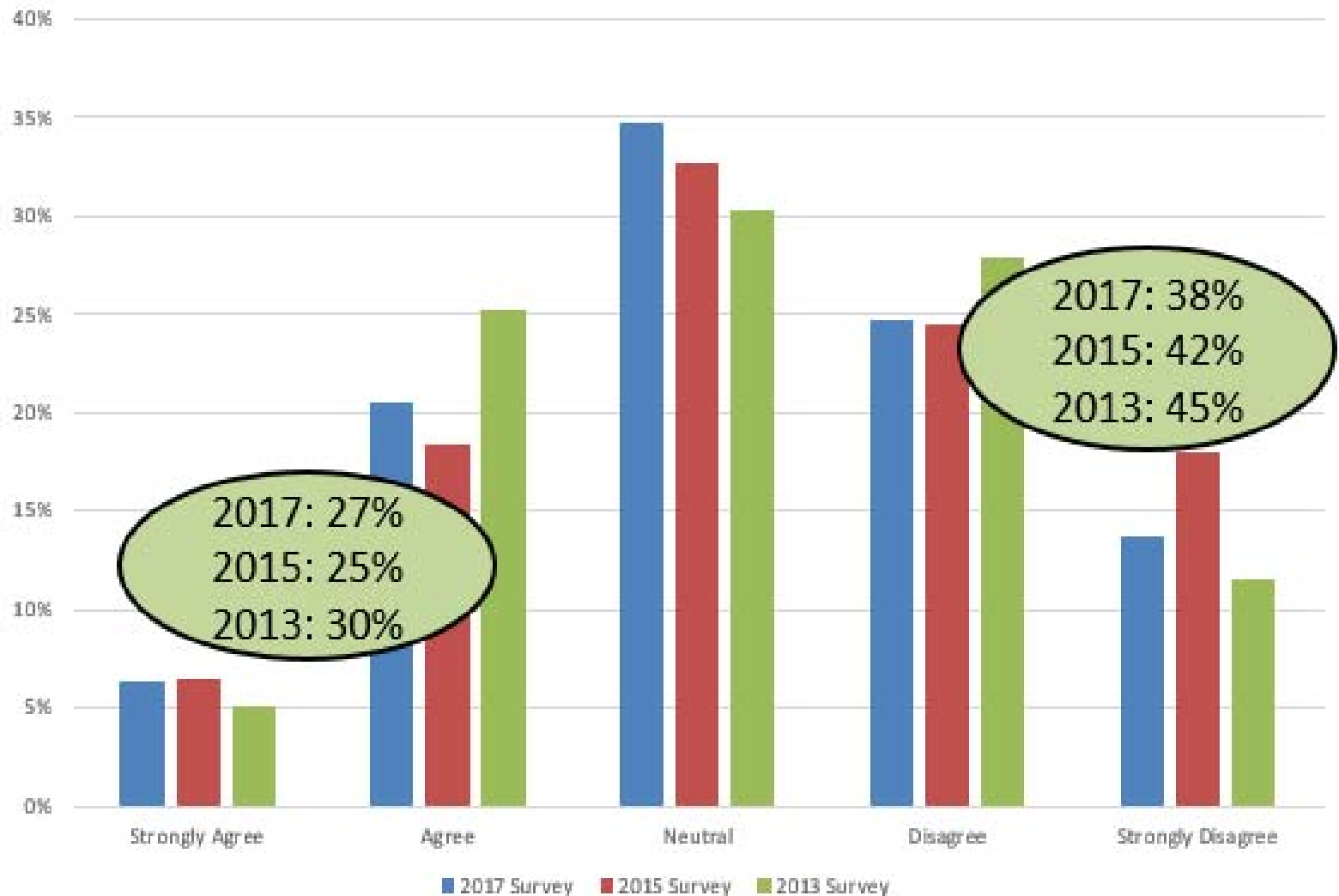
I am able to handle my work load without burnout



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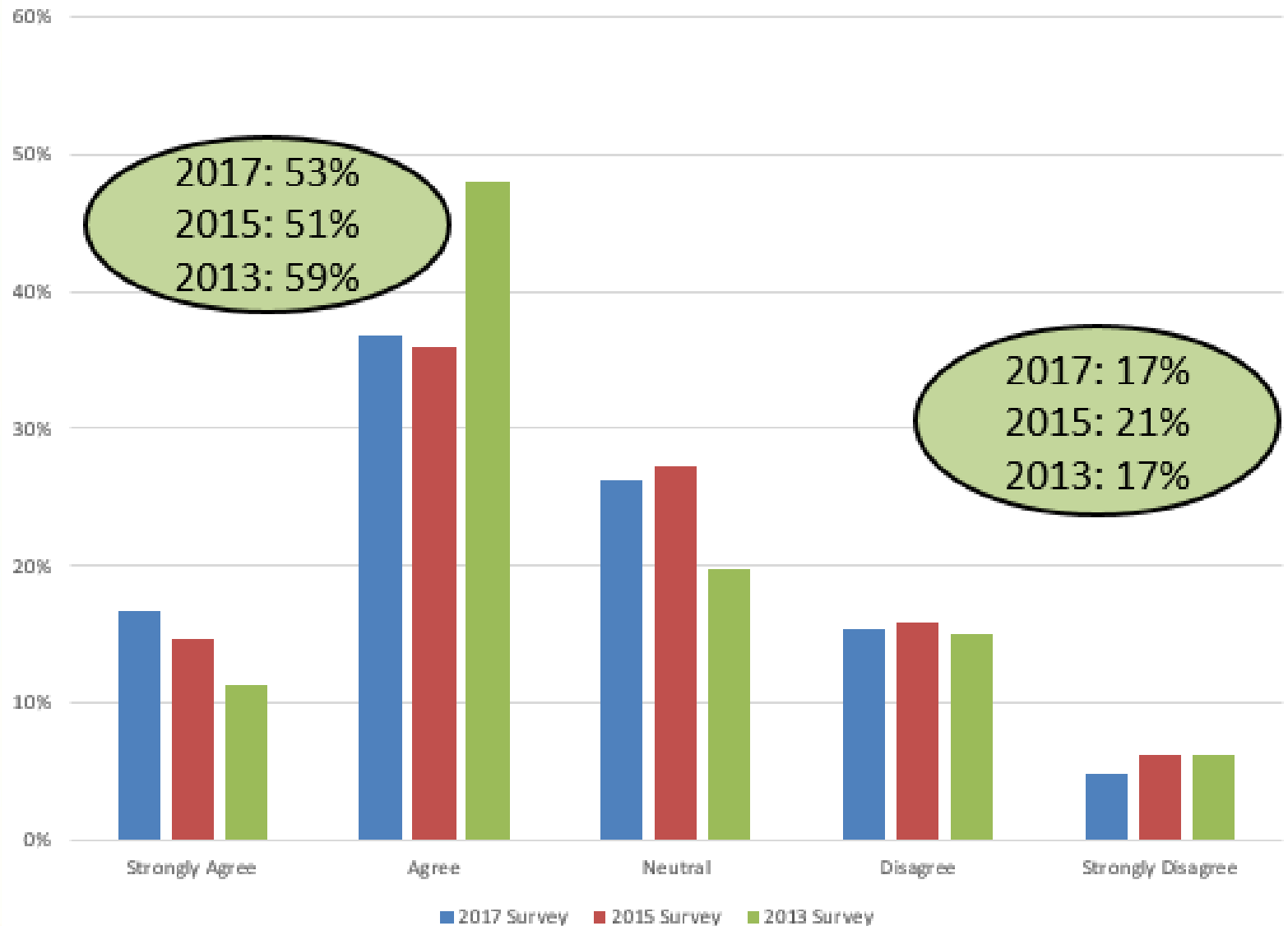
I believe there is a succession plan in place and I will be able to advance during my employment at the City



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I am appreciated when I put in extra effort



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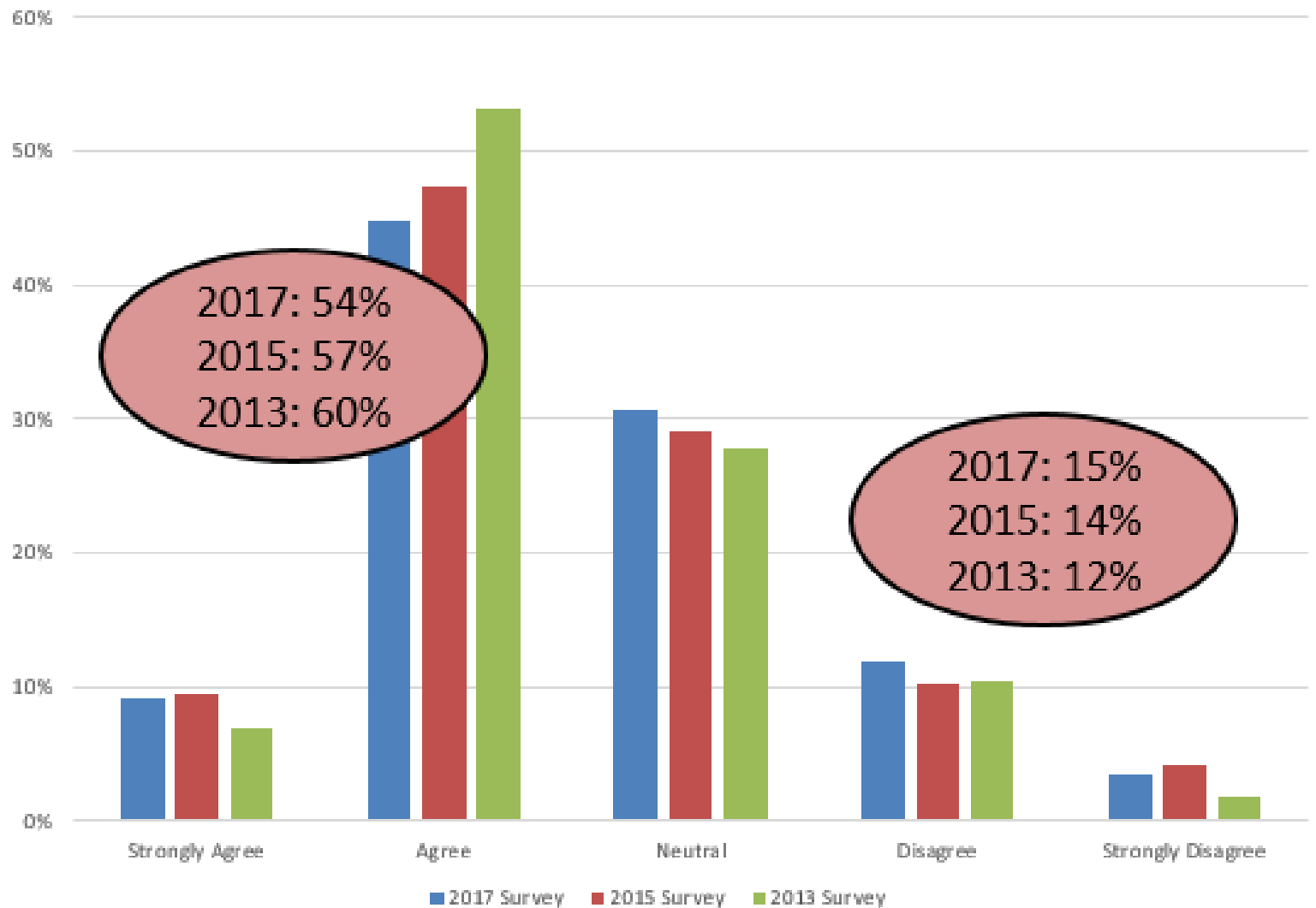


Compared to others in my line of work, I am paid fairly

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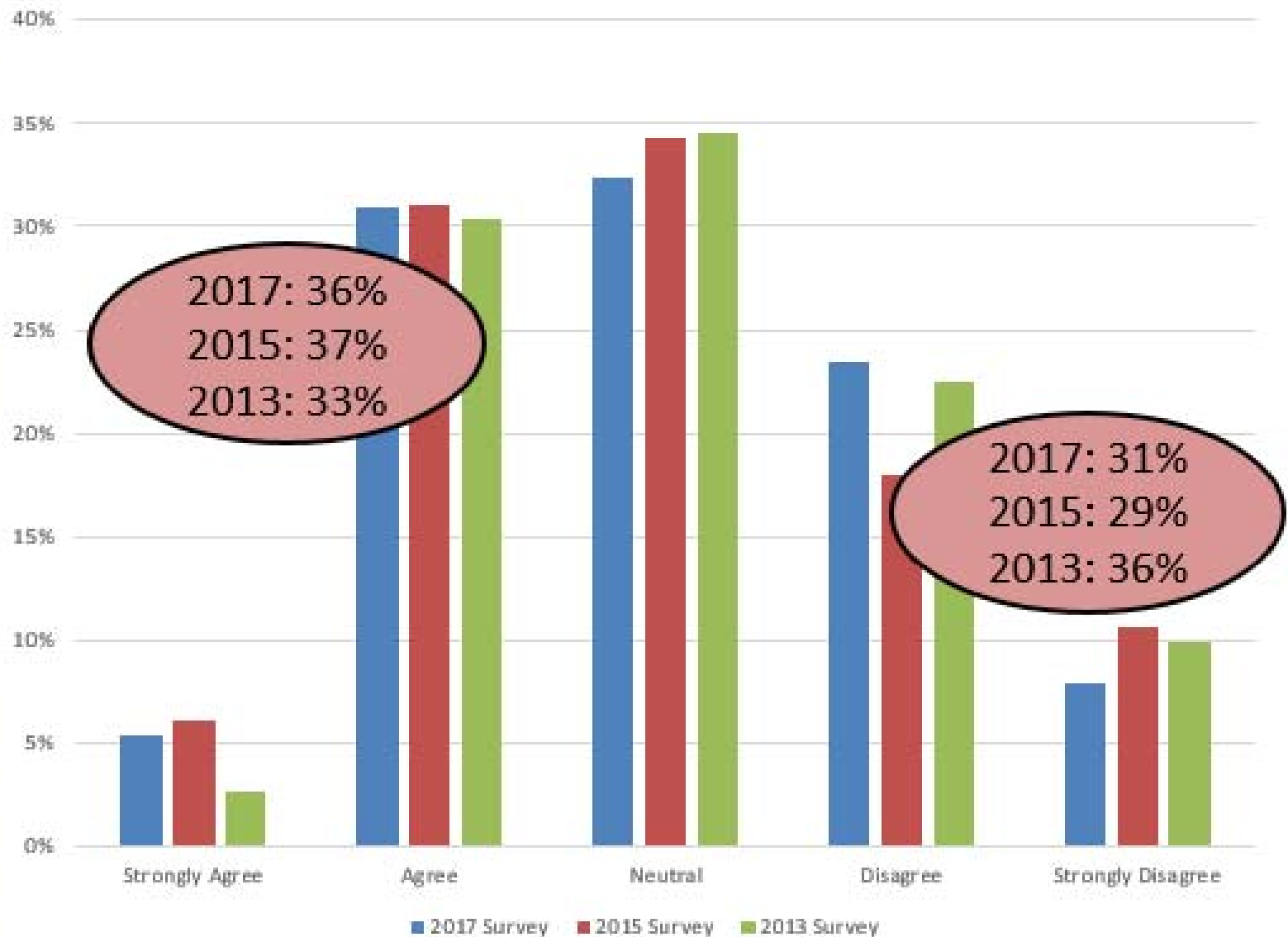
Citywide we are accomplishing our mission and upholding our values



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There is open, two-way communication Citywide



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Summary of Written Comments

- Benefits (55)
 - Greater Aquaplex discount
 - Time off for working out/wellness events
 - Better and more affordable benefits
- Compensation (48)
 - After three years to bring us to market pay, I will still be at the bottom of the salary range for my position with no plan in place for us to move up in the salary range



Summary of Written Comments

- Tools and Resources (40)
 - Improve City Hall parking
 - An increase in on-site training
- Staffing (31)
 - Full support to operate our department sufficiently. We are very short staffed and expected to operate normally. Unable to take time off because staffing is so low.

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Summary of Written Comments

- Communication (15)
 - Better communication between and within departments
- Professional Advancement (8)
 - More work on the path of succession for those who are interested
- Recognition (7)
 - Greater recognition for temporary City employees, such as being eligible for the yearly workiversary certificates/gifts and City Manager's award

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Next Steps

- Present Survey Results
 - Series of initial employee meetings to present results
- Two sets of follow up meetings to gather further feedback and information
- Develop action items
- Implement
- Re-evaluate in 2019

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Reactions and Feedback

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Public Safety Operations Update

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FPD Public Safety Staffing Concerns

- Staffing Levels Are No Longer Adequate
- Retention and Recruitment
- Compensation Concerns
- Incentives and Investments

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Staffing Levels Are No Longer Adequate

- Today Versus 2009
- Students and Student Housing
- Serial Inebriate Related Crime
- Reductions on Officer Discretionary Time
- Calls for Service and Crime
- National and Local Comparisons

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Retention and Recruitment

- Why They Leave
- Vacancy Breakdown
- Staffing Allocations
- Re-assignments to Keep Patrol Whole
- Pay is Still an Issue

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Incentives and Investments

- Recruitment Incentives
- Retention Incentives
- Dispatch Specific Incentives
- Investments in Employee Morale
- Continuing Needs

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Questions



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Council Questions from December Retreat

- Full-time equivalents (FTE) vs 2008
- Number of incidents – type and increase in levels
- Comparative to other cities
- Response map – density mapping of calls
- Paramedic status / type of calls
- Service demands – NAU, tourism, shelter, others
- Higher density locations
- Is Station #2 useable?
- General Fund information

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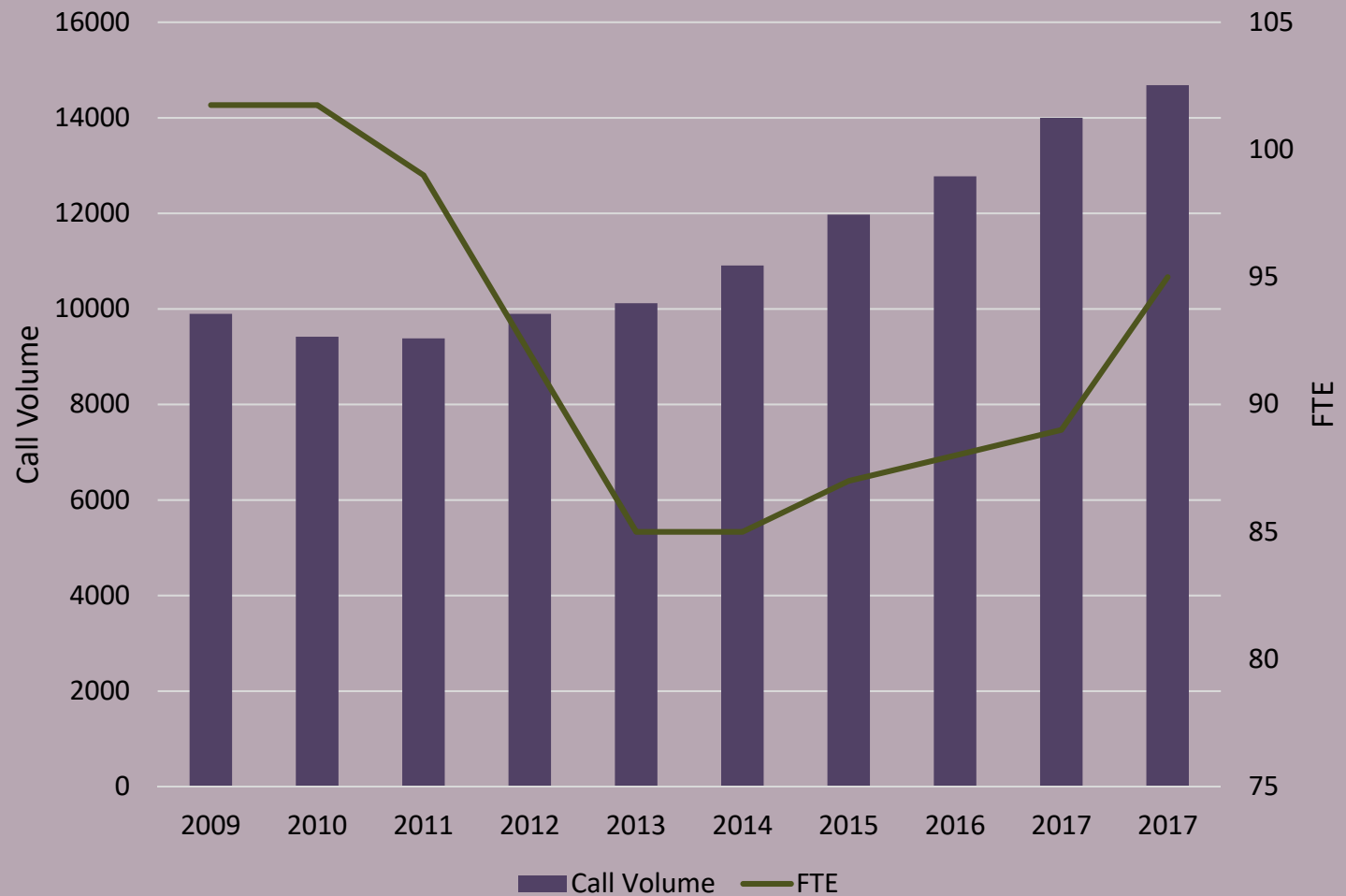


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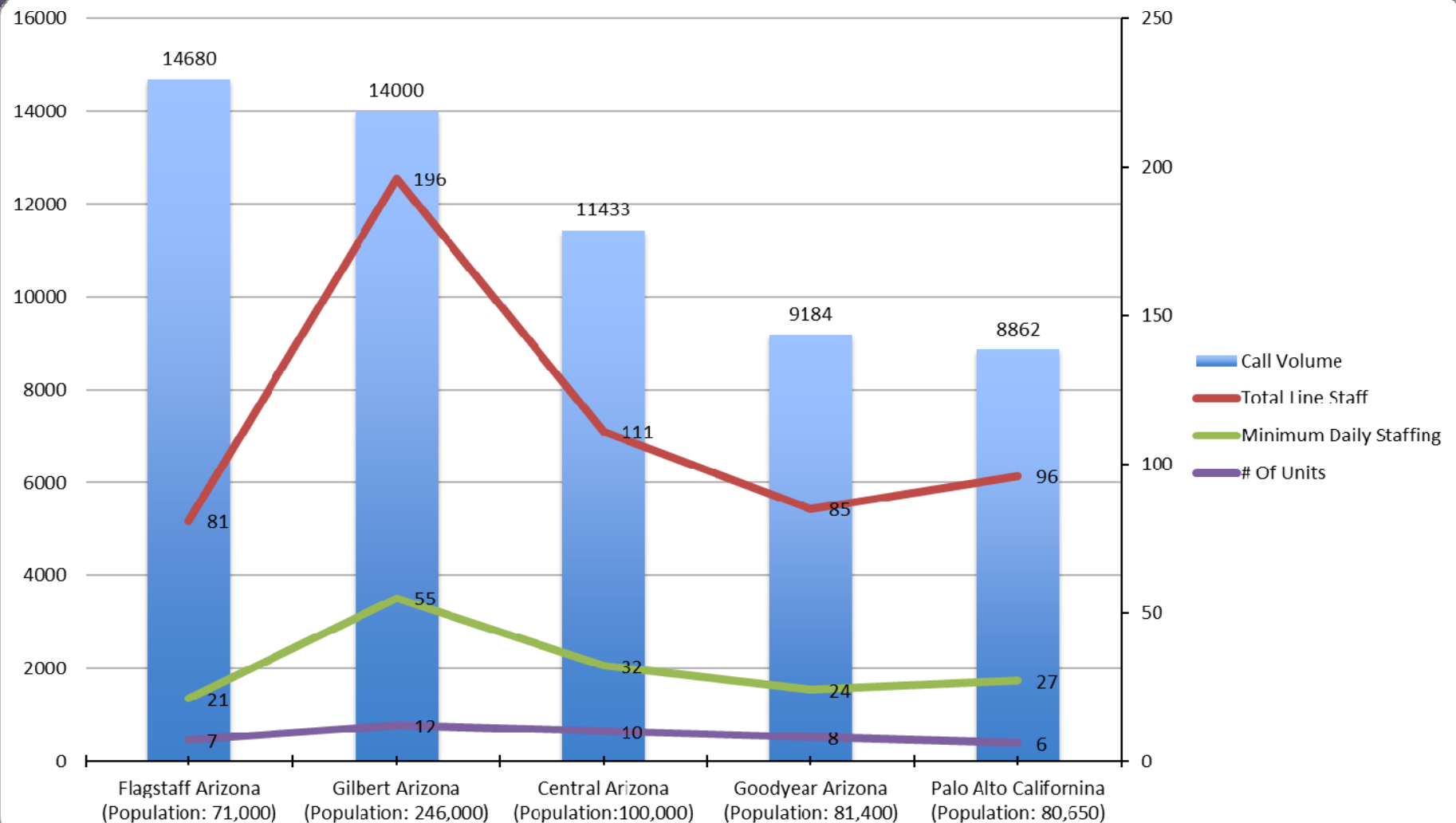
Call Volume vs FTE

Increase in calls 48.5%
Decrease in FTE 7%

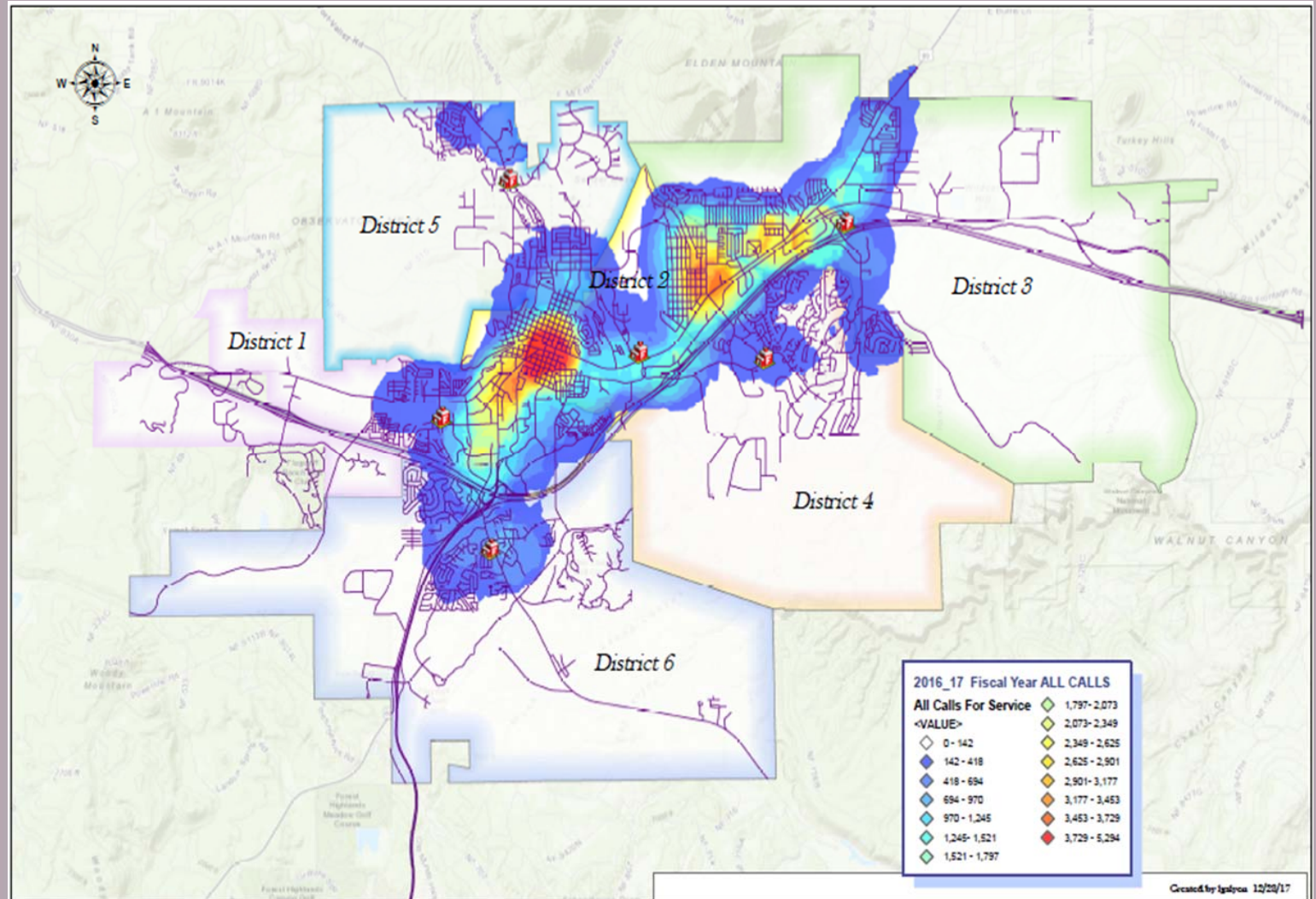


Comparison to Other Cities

Call Volumes/FTEs/Minimum Staffing/# of Units



July 2016 – July 2017 Call Volume Density Map



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Number of Paramedics - Compensation Factors

- Historically was tied to assignment pay, which was set at 30 positions maximum
- In FY16 a new paramedic classification was made in the pay plan
- The number of paramedics was increased in FY18 from 30 to 33 (working with Budget Team again and requesting 3 additional in FY19)
- The strategic goal of 39 paramedics is to provide 24/7 Advanced Life Support (ALS) capabilities from all units (7) in the City

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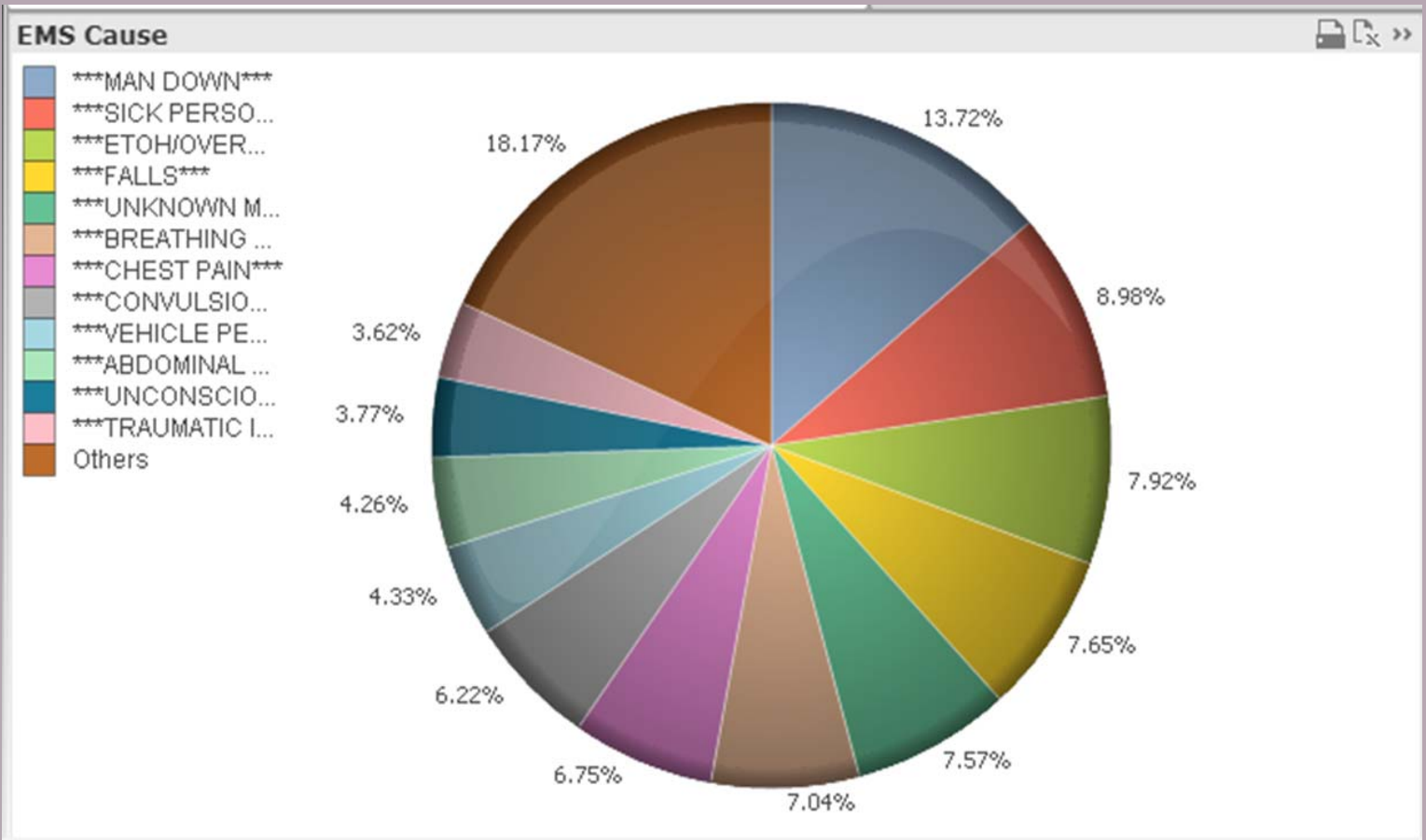
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Type of Emergency Medical Service (EMS) Calls 2016

1 out of every 3 EMS calls is for some type of transient/serial inebriant/mental health

55% of all EMS calls required ALS skills



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FY16-17 we had a paramedic on all units 89% of the time

Impacts to Service Demands

Based on % of all calls

- 25% NAU
 - on campus/off campus housing/downtown
- 20% Tourism/Growth
 - motels/restaurants/motor vehicle accident/recreation/ construction workers
- 33% Transient/Serial Inebriant/Mental Health
 - shelter/Guidance Center/homeless population
- 22% Remainder of Community at Large

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Feasibility of Reopening Fire Station #2

- It has been turned into a portion of the newly remodeled neighborhood park
- The back 1/3 of the station is now public restrooms

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What is all of this telling us?

- We are running more calls than most other departments with similar number of units and population and trend up 5% every year (up 50% since 2008)
- We have very high program loads assigned to our company officers that most other departments handle at the staff level
- We are 6.75 FTEs below pre-recession levels (including the six new Staffing for Adequate Fire and Emergency Response (SAFER) firefighters)

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Summary

- We have the same number of units (7) responding in the City as we did in 1992. In those years we have increased our call load by over 325%, along with reducing administrative staff, adding a station, adding company level inspections and adding major program responsibilities to our line staff that are typically done by command staff.

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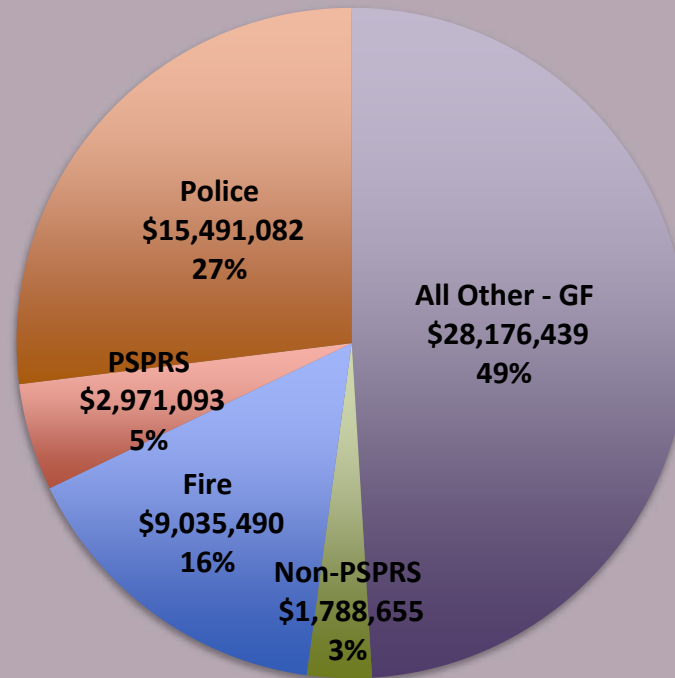
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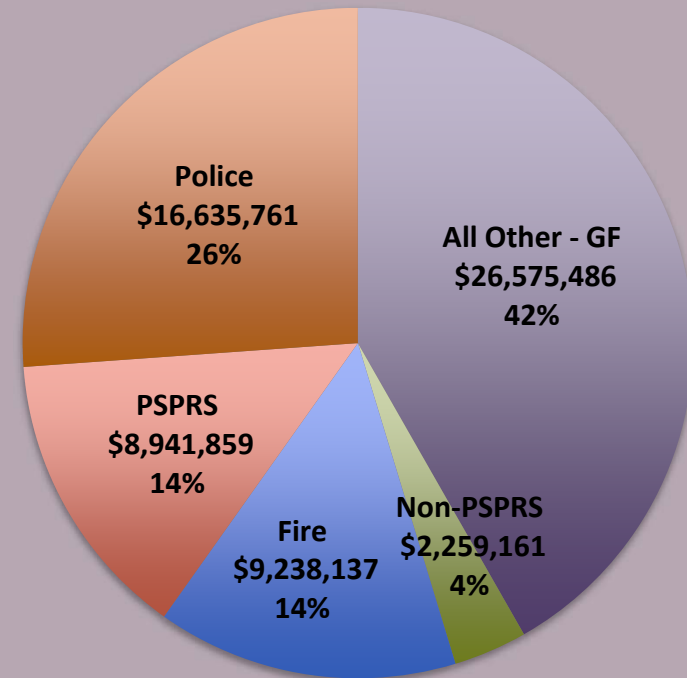


Operating Budget – General Fund

FY 2009



FY 2018



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Wildland Fire Management (WFM) Flagstaff Watershed Protection Project (FWPP) Completion and Program Sustainability



Intent: Continuity and Success

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The Setting

- Wildfire is inevitable and #1 fire threat to Flagstaff
- Fire-adapted communities and healthy forests demonstrate resilience
- Program funding primarily from grants, contracts and the FWPP bond
 - 38% of Wildland Management full-time staff
 - 100% of Wildland seasonal crew
 - 95% of operational expenses

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The Setting

- Grants are becoming scarce, and contracts are static
- The FWPP bond will be fully encumbered/spent July-December 2019, and will not cover:
 - All anticipated/planned initial treatment actions
- Sustained programmatic requirements, including maintenance and monitoring efforts, were not included in FWPP bond
- We committed to return to Council in five years with a plan to address shortfalls and a path forward

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Our Investment: The Cycle of Success



Requires . . .

- Wildland Fire Management Officer
- Firewise Specialist
- Operations Specialist
- Crew Supervisor
 - Squad Boss (2)
 - Seasonal crew members

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The Good News

- Over the past 20 years, Flagstaff residents continue to demonstrate understanding and support
 - Experience, Studies, Reports
 - Multiple surveys
 - Community Wildfire Protection Plan and Wildland Urban Interface Code
 - 2012 FWPP Bond election and exit poll
 - Customer expectations and service requests
- In that time, we have become a recognized national leader and model



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FWPP Status and Needs

\$10.00 M	- Beginning Balance
- \$ 3.20 M	- Spent to-Date (4,000+ acres completed)
- \$ 1.80 M	- WFM Operational Requirements to Support Project Commitments thru Dec 2019
	<u>Dry Lake Hills (DLH)</u>
- \$.35 M	- Phase I Contingency/Other Project Work
- \$ 4.65 M	- Begin Phase II

\$ 0.0	- <i>Fully Spent/Committed</i>

Note: In addition, we have leveraged \$4.9M in outside funds

Projected Needs to Complete:

\$2.45 M	- Remainder of Phase II DLH (2019-2020)
\$2.00 M	- Phase III Mormon Mountain/Lake Mary (2020 – 2021)

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WFM Sustainability

	<u>Estimates</u>
Personnel	
Staff	\$ 465,300
\$280,300 currently in General Fund	
Crew: Squad Boss (2) & members	\$ 400,000
Materials & Support	\$ 65,000
Fuel, equipment, supplies, etc.	
Capital Outlay	\$ 100,000
Periodic need, provided by General Fund/Fleet	
Professional Services	\$ 20,000
OT to support Severity, Rx fire	
Program Support	\$ 160,000
Hazard trees, Fire wise programs, training, new treatment efforts, maintenance and monitoring	-----
	\$1,210,300*

* In addition to current GF allocations noted (\$380,300), the net amount (\$830,000) may be less in any given year depending upon annual needs and/or other revenues available.

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Summary

- Transitions away from variable, diminishing sources to a stable financial foundation
- Results in a fully-staffed WFM program
- Decisions will need to be made to support the capital and operational requirements of the program
- Maintains and protects our 20 year investment
- Meets future needs
- Supports Council goals

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Wildland Fire Management Funding Consideration

- Watershed Protection Project versus Program Sustainability
 - One time versus ongoing resources
 - Short term versus long term
 - City versus State versus Federal Properties

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Wildland Fire Management Funding Consideration

Resource Consideration	Watershed Protection	Program Sustainability
General Fund	X	X
New FWPP Bond – Election 2020	X	
Sales Tax Increase – Election 2020	X	X
Primary Property Tax (2% Levy Increase starting FY 2020)	X	X
Municipal Bill Fee (i.e., Environmental Management Fee)	?	X
Water Services Rates		X
Other		

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Summit Intergovernmental Agreement (IGA)

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Flagstaff Fire Department (FFD) Situation Status

- We must be strategic and intentional in developing a plan for additional units and stations in order to provide appropriately distributed EMS and fire safety to our community.

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Features of the IGA

- Not a merger, consolidation or Joint Powers Authority
- Separate budgets
- Flagstaff remains Urban Service Level; Summit remains Rural Service Level
- One jurisdiction does not subsidize the other, both receive significant return on investment for dollars spent

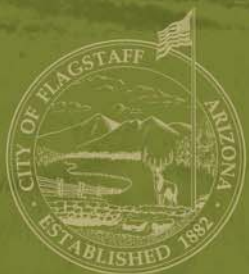
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FFD/Summit (SFMD) Blended Positions

Shared Positions	
Fire Chief (FFD)	1
Deputy Chief (FFD)	3
Battalion Chief (FFD3; SFMD3)	6
Administrative Officer (SFMD)	1
Administrative Specialist (FFD)	1
Squad Boss (SFMD)	1
Total Number of blended positions	13

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Operational Benefits of the Enhanced Summit IGA

- Defer needed managerial/administrative staff additions
- Distribute staff functions more effectively: Each BC has one staff assignment vs. two (eliminate redundancy)
- More support functions completed by chief officers
- Add a support/logistics deputy chief which both departments are lacking

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Fiscal Impacts

- New Positions
 - Deputy Chief
 - Deputy Chief UpgradeActual costs = \$230k
- Fiscal Breakout
 - \$142,500 (Summit)
 - \$87,500 (City)



Support for IGA

- Supported by the Flagstaff Firefighters and the Summit Firefighters of the United Flagstaff Firefighters
- Recommended by Flagstaff Fire Chief and staff
- Recommended by the City Manager's office
- Reviewed for feasibility by Public Safety Research Group

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Recommendation

Enter into an enhanced IGA with Summit Fire and Medical District to achieve more in our collective responsibilities to serve the community with fire/medical/rescue services.

- Defer costs associated with needed managerial/administrative support
- Focus future costs to needed operational staff (Firefighters/Paramedics/Emergency Medical Technicians (EMT))
- Improve service to our citizens
- Improve safety for our firefighters

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Summit IGA – Consultant Presentation

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Compensation

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Compensation

- Market Based Pay
- Pay Equity Study

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Compensation

Market Based Pay

- Phase II implemented July 2017
- Ongoing funding capacity exercise
- Phase III planned July 2018

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Compensation

Pay Equity Study

- Background
- Objective
- Methodology
- Analysis
- Findings
- Recommendations
- Next Steps

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Compensation

Pay Equity Study - Background

- The City has been performing pay equity evaluations dating back to 2007
- In 2015, Human Resources began conducting equity evaluations for all hiring situations and created a Citywide pay equity report
- The City wanted a more comprehensive evaluation than its prior studies to identify if there are any pay equity issues in the organization
- The City contracted with Gallagher Benefit Services, Inc. to conduct a detailed statistical analysis of the current pay levels and identify possible pay equity issues at both organizational and division levels

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Compensation

Pay Equity Study - Objective

- The objective of the analysis is to review the effect of various elements on pay differentials such as gender, age, years of service, race and job value, isolate specific areas as possible and identify key contributing factors
- The analysis adheres to conditions defined in the Federal Equal Pay Act of 1963, which forbids wage discrimination on the basis of gender
- The analysis of other protected classes adheres to the conditions defined in accordance with the Title VII of the Civil Rights Act of 1964
- The purpose of the analysis is to discover whether there are differences between protected groups and other employees that are statistically significant, and whether these differences can be explained by a factor other than gender, race or age

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Compensation

Pay Equity Study - Methodology

- Statistical analyses were performed in accordance with standards recognized by the Equal Employment Opportunity Commission
- The statistical methods used are:
 - Overall General Comparison
 - Regression Analysis
 - Statistical Significance level (p-value)

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Compensation

Pay Equity Study - Methodology

- The analysis looked at what variables (gender, age, seniority, race and job value) have significant impact on pay
- Analyses were completed for the whole organization and divisions with 40 or more employees
- Hourly pay was used for comparison

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Compensation

Pay Equity Study - Analysis

- General comparisons visually depicts the dispersion of gender and ethnicity across similar job levels
- Fire and Police department positions are not included in the comparison using DBM (Decision Band Method) as job value because they are in a market based only pay plan
- There is a separate comparison for all jobs using the Pay Grade Midpoints as the job value that includes Fire and Police department positions
- Important to note all statistical conclusions are limited to data available and do not include other possible explanations for any pay differences that may exist
- P-values generated by regression analysis should be used as indicators for potential issues rather than a determination of pay equity problems

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Compensation

Pay Equity Study – Findings by DBM Job Value

- Overall dispersion of gender by DBM job value

DBM Bands	Males	% Males	Females	% Females
Band A	4	1.3%	20	8.3%
Band B	205	67.9%	162	67.2%
Band C	73	24.2%	49	20.3%
Band D	11	3.6%	6	2.5%
Band E	8	2.6%	4	1.7%
Band F	1	0.3%	0	0.0%
TOTAL	302	100.0%	241	100.0%

- Approximately 80% of both males and females are in Bands B and C
- Fewer females than males occupy higher bands



Compensation

Pay Equity Study – Findings by DBM Job Value

- Overall dispersion of ethnicity by DBM job value

DBM Bands	White	% White	Non-White	% Non-White
Band A	17	4.2%	7	5.2%
Band B	254	62.1%	113	84.3%
Band C	108	26.4%	14	10.4%
Band D	17	4.2%	0	0.0%
Band E	12	2.9%	0	0.0%
Band F	1	0.2%	0	0.0%
TOTAL	409	100%	134	100%

- Greater concentration of non-white employees in Band B and fewer percentage in Band C compared to white employees
- Fewer non-white employees occupy higher band jobs when compared to white employees



Compensation

Pay Equity Study – Findings by Midpoints

- Overall dispersion of gender by Pay Grade Midpoints

Hourly Pay Grade Midpoint	Males	% Males	Females	% Females
Less Than 15\$	0	0.0%	0	0.0%
\$15 to \$20	56	11.9%	63	24.6%
\$20 to \$30	215	45.6%	123	48.0%
\$30 to \$40	119	25.2%	45	17.6%
\$40 to \$50	68	14.4%	21	8.2%
\$50 to \$60	5	1.1%	2	0.8%
\$60 to \$70	7	1.5%	1	0.4%
\$70 or above	2	0.4%	1	0.4%
TOTAL	472	100.0%	256	100.0%

- Higher percentage of females at lower pay grades and higher percentage of males at higher pay grades
- Difference in grade distribution partially explains actual pay gaps between males and female employees

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Compensation

Pay Equity Study – Findings by Midpoints

- Overall dispersion of ethnicity by Pay Grade Midpoints

Hourly Pay Grade Midpoint	White	% White	Non-White	% Non-White
Less Than 15\$	0	0.0%	0	0.0%
\$15 to \$20	83	14.6%	36	22.6%
\$20 to \$30	247	43.4%	91	57.2%
\$30 to \$40	140	24.6%	24	15.1%
\$40 to \$50	81	14.2%	8	5.0%
\$50 to \$60	7	1.2%	0	0.0%
\$60 to \$70	8	1.4%	0	0.0%
\$70 or above	3	0.5%	0	0.0%
TOTAL	569	100.0%	159	100.0%

- Non-white employees present a greater concentration at lower pay grades and lower concentration at higher pay grades
- Majority of white and non-white employees are at the pay grade midpoints ranging between \$20 and \$30 per hour

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Compensation

Pay Equity Study – Findings by Compa-Ratio

- Compa-Ratio comparison by gender

Gender	# of Employees	Average Hourly Current Pay (\$)	Average Hourly Grade Midpoint (\$)	Compa-Ratio	Average Years in Position	# of Employees Hired Prior to Jun 30, 2009
Male	472	\$28.16	\$29.45	96%	4.94	51% or (243 of 472)
Female	256	\$24.91	\$26.79	93%	3.26	43% or (110 of 256)

- Both average hourly rate and grade midpoint of male employees are higher than female employees
- Female employees are comparatively lower into range, which may be attributed to
 - Lower average years in position of females
 - Higher portion of females hired after merit increases were discontinued



Compensation

Pay Equity Study – Findings by Compa-Ratio

- Compa-Ratio comparison by ethnicity

Ethnicity	# of Employees	Average Hourly Current Pay (\$)	Average Hourly Grade Midpoint (\$)	Compa-Ratio	Average Years in Position	# of Employees Hired Prior to 2009
White	569	\$27.90	\$29.58	94%	4.16	47% or 266 of 569
Non-White	159	\$23.84	\$24.69	97%	5.05	55% or 87 of 159

- On average white employees are higher than non-white employees in both actual hourly rate and grade midpoint
- Non-white employees on average have a comparatively slightly higher compa-ratio, which may be attributed to
 - Higher average years of service in position of non-white employees
 - Higher portion of non-white employees hired prior to merit increases being discontinued



Compensation

Pay Equity Study – Organization Wide Statistical Findings by DBM Job Value

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	3.827019	0.332438	11.51197	1.43E-27	3.173986	4.480052	3.173986	4.480052
DBM Points	0.007494	9.78E-05	76.60234	0.000	0.007302	0.007686	0.007302	0.007686
Age	1.692336	0.298529	5.668914	0.000	1.105913	2.278759	1.105913	2.278759
Seniority	0.285812	0.034325	8.326625	0.000	0.218385	0.35324	0.218385	0.35324

- Second and final regression
- All these variables have a significant impact on salary



Compensation

Pay Equity Study – Organization Wide Statistical Findings by DBM Job Value

- Seniority variable has the biggest impact on pay followed by DBM points (or job value) and Age
- City is not paying lower salaries to employees based on Age
- The organization level statistical model showed no ethnic, gender or age related discrimination

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Compensation

Pay Equity Study – Organization Wide Statistical Findings by Pay Grade Midpoint

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-3.32055	0.331158	-10.0271	3.03E-22	-3.9707	-2.67041	-3.9707	-2.67041
Age	2.030887	0.222821	9.114437	0.00	1.593435	2.46834	1.593435	2.46834
Seniority	0.247077	0.02388	10.34644	0.00	0.200194	0.29396	0.200194	0.29396
Grade Midpoint	0.984773	0.010632	92.62279	0	0.9639	1.005646	0.9639	1.005646

- Second and final regression
- Best set of variables are Seniority, Age and Pay Grade Midpoint



Compensation

Pay Equity Study – Organization Wide Statistical Findings by Pay Grade Midpoint

- Pay Grade Midpoint (or job value) has the biggest impact on pay followed by Seniority and Age
- City is not paying lower salaries to employees based on Age
- The organization level statistical model showed no ethnic, gender or age related discrimination

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Compensation

Pay Equity Study – Statistical Findings by Division

	Department/Variable	No Regression-Insufficient sample size	Gender (M or F)	Age (> or < 40 yrs)	Seniority (Tenure)	Pay Grade Midpoint	Job Value	American Indian/ Alaska Native	Hispanic/ Latino	Two or More Races	Asian	Native Hawaiian / Other Pacific Islander	Black/African American
1	Community Development		N	P	P		P						
2	Economic Vitality			P	P		P						
3	Fire Department				P	P							
4	General Administration	X											
5	Human Resources	X											
6	Information Technology	X											
7	Legal	X											
8	Management Services				P		P						
9	Municipal Court	X											
10	Police Department			P	P	P							
11	Public Works			P	P		P						
12	Water Services						P						

Compensation

Pay Equity Study – Recommendations

- Perform more detailed investigation into the identified divisions for non-quantitative reasons for pay differences (i.e. performance, turnover, recruiting)
- Examine policies and guidelines related to promotional opportunities and movement through the salary ranges to ensure equitable movement regardless of gender or ethnicity
- Evaluate the application process and promotional opportunities through data collection which enables further analysis into potential adverse impact. Potential inclusion in future pay equity analyses
- Continue to evaluate pay practices through periodic pay equity analyses
- Apply consistent salary structure adjustments and actual salary adjustments across the organization

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Pay Equity Study – Next Steps

- Collect and analyze recruitment data
 - Applicant pool
 - Hiring statistics
- Collect and examine employee data
- Evaluate promotional data
- Prepare budget recommendations

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Native American Strategic Initiatives

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Native American Strategic Initiatives

- Native American Affairs Liaison
- Indigenous Circle of Flagstaff
 - Cultural Center
 - Cultural Awareness Training
 - Economic Analysis of Indigenous Community to Flagstaff's Economy

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Service Partner Contracts

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Service Partner Contracts

- Disability providers
- Relocation assistance for trailer park closures

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Graffiti Abatement

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Graffiti Busters Program

Volunteer Program

- Minimizes City's Costs
 - Van came from Flagstaff Police Department
 - Use recycled paint
 - Purchase brushes, rollers, etc.
 - Operating supplies budget
 - Staff does abatement as needed

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Graffiti Busters Program

Community Benefits

- Partner with community and property owners
- Intent not to penalize the property owner (victim)
- Owner has up to 5 calendar days to abate
- Offer Graffiti Busters assistance
- Goal - quick abatement
- 1,086 abatements in 2017
 - Average 20 per week

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Graffiti Busters Program



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Graffiti Busters Program



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Graffiti Busters Program

Future Considerations

- Color matching machine
- Paint mixing machine
- Paint sprayer
- Pressure washer
- Vehicle – on board mixing
- Space – clean up and storage



Council Discussion And Direction

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Council Priorities for FY 2019 Budget

1. Economic Development

- Address impacts from development and tourism such as trash, traffic, etc.
- Expand outreach to tourists from Mexico focusing on all seasons.
- Work with the Downtown Business Alliance to strengthen business in other areas of Flagstaff such as the Fourth Street Corridor.
- Explore options for generating revenue from large City parcels.

2. Affordable Housing

- Create an Affordable Housing ballot measure for the November 2018 election that includes a comprehensive revolving fund consideration.
- Examine the recommendations provided in ECONA's report from ECONA and the Housing Summit.
- Explore more incentives and subsidies to increase the number of affordable homes.
- Revisit the City's current inventory of property and homes to determine best uses such as redevelopment.
- Improve and strengthen the path from home rental to home ownership.
- Work with community organizations to establish a fund to support the relocation of those impacted by the closure of trailer parks.
- Subsidize new infrastructure for affordable housing and enter into agreements with the development community.
- Revisit the Affordable Housing Incentive Policy to make it more flexible and attractive for developers.

3. Social Justice

- Provide funding for the initiatives identified by the Indigenous Circle of Flagstaff (ICF).
- Participate as a co-producer or a major partner in events advancing social justice and civil liberties such as those benefiting indigenous people, LGBTQ and other historically marginalized groups.
- Partner with Consulates who travel to Flagstaff to provide services to City residents.
- Explore the expansion of indigenous cultural awareness training to additional City staff members.
- Review downtown public restroom options and provide recommendations to Council.
- Explore ongoing revenue sources to support programming for those with disabilities in the community.
- Address the impacts to public safety and City facilities by those seeking social services in our community and explore how the Criminal Justice Coordinating Council (CJCC) can be of assistance.
- Provide additional staffing and funding for social service issues.

4. Transportation and Other Public Infrastructure

- Review impact fees to align with the needs of the community.
- Review the policy and costs associated with implementing improved Wayside Horns at rail crossings in Flagstaff.
- Support courthouse funding options.
- Complete the Core Services Maintenance Facility.
- Review the long-term costs associated with the Materials Recovery Facility (MRF).
- Continue working towards the 75% recycle rate.
- Evaluate the need for additional equipment such as plows and graders and the level of service currently being provided from snow removal and bulk trash pickup.
- Actively advocate for infrastructure projects at the state/federal level to increase the City's programmed funding.

5. Building and Zoning/Regional Plan

- Evaluate the time and resources needed to update the City code.
- Link all planning documents electronically (i.e., Regional Plan, Resource Plan, Neighborhood Plan, Zoning Codes, etc.) on City website.
- Ensure a succession plan is in place to keep the level of service high in Community Development.
- Provide adequate staffing to facilitate neighborhood planning needs.
- Identify and implement technology improvements in Community Development to enhance customer service.

6. Climate Change

- Align the City's organizational structure with Council's priority of Climate Change, specifically by elevating Sustainability to a division to provide Sustainability with the tools and ability to promote change.
- Implement Climate Action and Adaptation Plan.

8. Environmental and Natural Resources

- Provide dedicated staff resource for Dark Skies management.

9. Personnel

- Strategically evaluate the needs and priorities of the Police Department, including issues like additional officers, funding, retention and recruitment. Create an outreach strategy to educate citizens and the community on the needs of public safety.
- Hire the additional four police officer's necessary to reach the total of six police officer positions that were approved in the FY 2018 budget.
- Provide funding for a maternity/paternity leave policy.
- Evaluate re-opening Fire Station 2.
- Provide assignment pay funding to all paramedics.
- Create a strategic plan for the Fire and Police Departments.
- Develop a partnership with NAU for fire services (training for non-emergency situations).
- Strategically identify staffing needs and options for addressing the increase and impacts of high occupancy dwelling units.

- Evaluate staffing and programming solutions to address issues with different levels of calls for service.
- Review opportunities for cost sharing with NAU.
- Review of Council salaries, travel allowance, travel and expense budget.
- Provide adequate funding for Public Safety Personnel Retirement System (PSPRS).

10. Community Outreach

- Provide mobile streaming services for non-City Hall council meetings.
- Provide closed captioning for City Council meetings.
- Evaluate a Neighborhood Services section and the costs associated with it including staff, equipment and budget.
- Evaluate the structure of City's website to improve functionality and accessibility.
- Finalize the installation of the Council voting record software.
- Provide additional funding for civic engagement.
- Provide funding for staff training in different public participation engagement activities and methodologies.
- Conduct a citizen survey on City services.

11. Town and Gown

- Evaluate the impact NAU and its student population has on public safety.
- Provide funding for a community forum with NAU and citizens of Flagstaff.
- Explore the feasibility of requiring interns to provide stipends.
- Lobby the State of Arizona to provide funds for the Rio de Flag Flood Control project.

12. Code Compliance

- Be strategic and proactive in Code Enforcement efforts.
- Provide funding for graffiti outreach and abatement, and revisit the ordinance.
- Provide funding for litter removal and litter education throughout the City.
- Be proactive in reaching out to neighborhoods affected by parking districts.
- Identify potential areas where street art walls may be appropriate.
- Revisit City codes to allow for more efficient enforcement and ensure the codes serve their intended purpose.



Flagstaff Police Department

Strategic Plan

Updated CY 2016



911 Sawmill Rd.
Flagstaff, AZ 86001
928-774-1414
Chief K. Treadway

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Chief's Message

With this document, I am proud to present the 2016 strategic plan for the Flagstaff Police Department. The creation of this plan was a collaborative effort, starting first with a retreat involving all command staff and supervisory personnel (both sworn and support) from throughout the organization. The plan was also shared with the majority of personnel through a series of meetings. In this fashion, every member of the Department should have and will continue to have an opportunity for input.

For this plan to be most effective, it must truly be a living document, a road map as we move forward. It is my intent this plan be shared with every individual in this agency, reviewed often, and our progress regularly evaluated. I am proud to say the majority of the short and mid term goals outlined in our previous strategic plans were achieved. It is my hope we will be even more progressive in achieving the goals and objectives outlined in this document.

As we approach 2016, members of the Flagstaff Police Department can be proud of their efforts to make our community a safer place. Despite a flat economy where we continue to operate in an environment of reduced assets as a result of the Great Recession, all of our employees remain committed to the ideals of our profession. These ideals are outlined in our oath to enforce the law, and our mission to provide exemplary service to our citizens. As a result of this commitment and despite significant staffing challenges throughout the organization, our employees worked diligently to achieve a number of successes. We achieved these successes while increasing the number of community support meetings held this year. Our civilian staff worked just as hard to provide effective customer service in special services, records and dispatch. Because of staffing shortages in those areas, their challenges were just as significant and their achievements just as proud.

More work needs to be done, as Flagstaff remains higher than national averages in both property and violent crime as well as increases in injury collisions, even with significant increases in traffic enforcement. We need to remember to continue to care for our most important asset, the employees who make up this fine institution. In order to work more effectively and efficiently in achieving these goals, we can look toward this strategic plan as a guiding document.

Chief K. Treadway, 2016

Mission Statement Flagstaff Police Department

The mission of the Flagstaff Police Department is to protect and preserve life, property, public order and the rights of the individual, by providing exemplary service through the establishment of a partnership of shared responsibility, support and trust with law abiding members of the community.



Vision Statement

The Flagstaff Police Department will be a model public safety agency, committed to public service first, through professional, effective and equitable enforcement of Federal, State and local laws. To fulfill this vision, the Flagstaff Police Department is dedicated to providing a quality work environment and to the development of its members through effective training and leadership, and to ensure its members are cared for both physically and mentally. Through its mission and vision, we achieve our Departmental motto, “*Ad Honorem*”, meaning “In honorable service of others, without expectation of personal gain”.

Values

We value life-Preserving life is our highest priority

We value the Constitution-It provides equal and enforceable standards for all

We value integrity-We recognize integrity as the basis for mutual respect and trust

We value service-By providing exemplary service we enhance our credibility and establish trust with the community

We value quality of life-We value our role in promoting an environment that enables people to preserve or enhance their quality of life through a partnership of shared responsibility and trust.

Strategic Planning Process

On October 25, 2016, members of the Flagstaff Police Department Leadership Team met to review the updated CY 2016 Strategic Plan. Ultimately the 2016 Strategic Plan was edited to show the goals we accomplished and the new ones added that now make up our 2017 Strategic Plan.

All of this followed our previous Department-wide strategic planning retreat and related processes held in October of 2015. At this retreat, attendees were broken up into discussion groups and questions regarding the Department were posed to each of the groups.

The first exercise consisted of an appreciation exercise, where employees validated each other for their contributions to our agency and each other. The second exercise consisted of an analysis to identify the existing strengths and weaknesses of the organization and the opportunities and threats (SWOT) which currently exist for the organization.

The third phase of the retreat involved reviewing the existing strategic plan and identifying what goals (short, mid and long term) had been accomplished and revising the list adding new goals based on the SWOT analysis. Finally, the group felt the need to move some items out of our goals and make them on-going initiatives.

The following is a summation of the outcome of this retreat and the proposed strategic plan which developed as a result.

Strengths:

Supervisors unanimously identified team work, dedication and cohesiveness of our people and an emphasis on leadership as the most recognized strengths of the Department. This was followed closely by being community oriented and having community support. Other strengths identified in this exercise included, internal communication, equipment, and inter-agency cooperation. It was mentioned that while we are a growing organization, we are still small enough so everyone seems to know each other and this fosters a sense of family and good personal relationships. Supervisors also identified strengths in having well rounded employees, a strong work ethic and being an ethical Department which maintains high standards. It was also pointed out our organization's demographics are changing at the officer rank in that they are gaining in years of experience, but it is also nice having young officers with high motivation. This is both a strength, opportunity and can potentially be a threat if not respected. Everyone felt our people do a great job of managing critical incidents. Supervisors appreciated the collaborative development of the agency in that leadership was open to input from all levels of the organization. First line patrol supervisors felt the pre and post academy training provided to new officer was beneficial to our agency. They also felt the improved hiring process including the incorporation of retention contracts was a strength to our agency in slowing down officer and civilian departures.

Weaknesses:

Supervisors unanimously identified fiscal challenge and budget constraints and their impact on outside training opportunities and staffing shortages as a top weakness for the organization. This was also tied to struggles with compensation of employees. Generational challenges were listed, in that younger officers seem to lack skills in communicating with people in comparison with their abilities with computers and other electronic media. The shortage of experienced officers was also mentioned as a current weakness.

Specific issues mentioned as weaknesses included the high financial cost of keeping up with technology. Supervisors mentioned the dwindling recruitment pool of qualified applicants and how this will impact our agency staffing. The extended work shift compiled with low staffing and quick turn around on some shifts was sighted as a weakness for the Department.

Opportunities:

Supervisors identified employee and peer mentoring as the top opportunity for the organization and listed the cadre of in-house instructors and enhanced in-house training as the supporting tools to make a mentoring program work for Flagstaff P.D. Supervisors spoke about the socialization of new employees to the mission of the Department as opportunities.

The supervisors spoke to creativity in utilizing the Departments' resources with the volunteers, civilianizing the training coordinator, court and station officer positions as well as squad realignment and evaluations of personnel. Personnel felt the approval of the new pay structure was a positive step that helped increase morale. The realization that employees could receive a free yearly physical through our insurance company was seen as an opportunity, as was training on the topics of mental illness and social media.

Threats:

Supervisors identified the poor economy and declining budget and officer attrition as on-going threats to the organization. While the economy is expected to turn around, we will be lacking in competitive salary offerings and competing with agencies in the Phoenix region will be difficult. Morale will have a huge impact here in that if morale is high we will experience less attrition when valley agencies start hiring again. Staff shortages and burn out regarding doing more with less were also mentioned and their negative impact on organizational morale. These issues seemed to bring us full circle in that we recognize the need to enhance our employee's mental and physical well being, to offer peer support and crisis response and create a mentoring program within the organization as strengths and opportunities, but as threats if they were not addressed due to their impact on employee morale and job satisfaction.

Ethical dilemmas and decisions were also listed as potential threats, especially considering the generational issues and aging veterans of the Department at the front line officer rank. Other potential threats were identified as injuries to employees and declining performance of equipment, and the rise of new technologies. The cost of new technology and the maintenance

cost of keeping our current technology up to date were seen as threats in that it takes financial resources away from other areas. The growth of our community, overall and specifically student housing was seen as a threat. Finally officers being complacent was seen as a threat not only to themselves but fellow officers.

Accomplishments and Goals

A discussion was initiated regarding the goals achieved from the previous Strategic Plan. Each goal on the lists were discussed with the supervisors and it was determined which ones have been met, and what new ones needed to be added. After the Fall Strategic Planning Retreat, Command Staff members met with the various patrol squads, and additional goals were added. This plan was ultimately sent out Department-wide via e-mail for all to review and offer input.

In the list which follows, goals are identified by number and followed by specific related objectives where appropriate, denoted by a lower case alpha letter. Short term goals are defined as those that might be accomplished in several weeks or months, mid term goals are those accomplished in a year or so, and long term goals, are those that may take several years to accomplish. Individual goals are not ranked in terms of priority, and in fact, several may be clustered based on similarity to one another. We anticipate being able to hold a strategic planning review prior to calendar year 2017 to draft our next strategic plan.

Short Term Goals completed in CY 2015

1. Initiated two voluntary trainings focusing on career planning and promotional exams.
2. Created an emergency notification call out order for all employees in the Department.
3. Expanded the body camera program for all patrol officers.
4. Updated our Mobil Data Terminals.
5. Organized the equipment/property/and related forms in Patrol.
6. Completed a formal training program for all CTO Trainers.
7. Instituted quarterly leadership discussion and trainings in place of a monthly meeting.
8. Provided wireless headphones for Dispatch.
9. Presented Department-wide training on suicide resiliency and healthy living.
10. Presented Mental Health First Aid training to the Department.
11. Moved into a market based pay structure.
12. Provided surplus laptops for FTO's to use during shift.
13. Developed quarterly performance measures for the various sections of the Department.
14. Developed a Community Police Liaison Committee.
15. Created a strategic plan for hiring
 - a. A three-year repayment contract was implemented for officers.
 - b. We partnered with the Fire Department on Nationwide Testing Network (NTN).
 - c. We put a focus on attitude questions.
16. Created a survivor resource packet for family of deceased.
17. Completed a formal training program for all CTO Trainers.
18. We completed the purchase and installation of a new Citi-Call program.

Updated Short Term Goals for CY 2016

1. Share more data with the public via facebook (transparency)
 - a. Post Comp-Stat goals table
 - b. Post the YTD traffic enforcement numbers
 - c. Post YTD complaint information
2. Fix the hazard pay discrepancy on specialty assignments.
3. Update the detective fleet.
4. Provide Active Shooter/ Negotiations training for dispatch.
5. Increase the number of phlebotomy options during night hours.
6. Strengthen the Department's service to the community in the area of Violence Against Women initiatives
 - a. Explore the feasibility of adding predominant aggressor language to our existing domestic violence policy.
 - b. Provide Department-wide training on predominant aggressor arrests.
 - c. Assess Forensic Experiential Trauma Interviews (FETI), and its application to interviews for law enforcement purposes.
7. Explore the use of the NTN testing for Dispatch.

Mid Term Goals Completed in CY 2015

1. Expanded the supervisor's office in Dispatch.
2. Received Shift Differential pay for Dispatch.
3. Retained three of our four Southside COPS grant officer positions.
4. Strengthened the Department's Community Policing Initiatives.
 - a. Provided training to officers on verbal and tactical alternatives and techniques to avoid use of force.
 - b. Emphasized more random foot patrols by beat officers.
 - c. Created a substation at the Murdoch Center.

Updated Mid Term Goals for CY 2016

1. Explore a peer mentoring program for patrol.
2. Upgrade to web-based Records Management System.
3. Update the Communication Center Orders.
4. Upgrade the Negotiation's Van.
5. Continue to build towards the eight squad format.

6. Provide Procedural Justice training to all officers.
7. Explore blue team initiative (electronic signature and chain of command forwarding of common reports).
8. Explore the benefits of using Bair Analytics Software for crime mapping, hot spots and other analysis.
9. Conduct a review of the six pillars of 21st Century Policing Philosophy.
10. Convert the Commerce Warehouse to evidence storage.
11. Add one Animal Control Officer and vehicle.
12. Increase staffing in Professional Standards Office by one (1) employee to assure regular audits and assist in establishing early warning system and stay abreast of background investigations.
13. Explore hiring a civilian background investigator/recruiter.
14. Explore a Peer mentoring program for patrol.
15. Explore additional COPS Grant Officers for a student housing squad.
16. Explore hiring additional administrative staff for body camera redaction/compliance.
17. Explore sex offender case agent/computer forensics investigator.

Long Term Goals Completed in CY 2015

1. Establishment of a Department Safety Committee.
2. Established a homebuyer assistance program for Officers and Dispatch.

Updated Long Term Goals for CY 2016

1. Explore the need for an Administrative Sergeant position in patrol.
2. Create a Department-wide, voluntary physical fitness program.
3. Review the feasibility of adopting a patrol K-9 program, when staffing allows.
4. Keep dispatch vacancies at three (3) or fewer.
5. Explore a substation at the Commerce Warehouse.

Updated Ongoing Goals

1. Participate in the Coconino Community Response Team's protocol responding to domestic violence and sexual assaults.
2. Conduct quarterly audits in high liability areas (sex assault investigations, stolen vehicles, missing persons, and evidence).
3. Explore initiatives of joint police, prosecution, and community confrontation of repeat offenders to deter criminal activity (including "pulling levers", repeat offender program, etc.).

4. Continue to strengthen the Bushmaster Park Users Group, Flagstaff Retail Asset Protection Program and pawn/property crime program.
5. Review all forms currently used by the organization for any redundancy.
6. Ensure Officers in Training complete the "Report Writing" course during their probationary period.
7. Strengthen Community Policing initiatives.
8. Have Chaplains participate in squad briefings, ceremonies, trainings, and ride-alongs.
9. Present a Detective's Academy every two (2) years.
10. Have the members of command staff do leadership in-services quarterly.
11. Fully integrate employee wellness (physical and mental) into organizational culture.
12. Increase the Department's efforts toward climate resiliency and preparedness through various efforts (Woods Watch, Op 40, Fire Prevention), continue training on emergency operations, conducting EOC tabletop exercises and after action reviews.
13. Emphasize strategies to reduce property crime.
14. Establish a training calendar to include annual proficiency training.
15. Squad supervisors and the training coordinator will schedule squad level training for such topics as entries, mobile field force, driver's training and equipment use.
16. Retain our emphasis on quality of work.
17. Complete ethics training quarterly.
18. Present a Crisis Intervention Team (CIT) academy annually.
19. Strengthen the bike patrol unit and utilize it more often.
20. Take advantage of the Dispatch Academy for new recruits.
21. Continue to move through the market based pay structure.
22. Expand the A-Ride Training and DRE program in patrol.
23. Get Detective Sergeant input in the FTO Process (quality investigations and reports).
24. Continue to develop panhandling and loitering mitigation programs (Better Bucks, aggressive solicitation).

Additional goals and objectives may be set by members of the command staff and or line staff after subsequent reviews or meetings. These are goals that may have been previously set by the employees, supervisors, or leadership as important initiatives for the Department over the next five years.



Flagstaff Fire Department
2017 Strategic Planning Document Overview

Respectfully submitted by:
Jeannie Duncan, Facilitator

JJD JEANNIE DUNCAN, PhD

2017 Mission, Vision and Values, Affirmed

Mission

We provide caring and excellent customer service utilizing our highly trained professional staff, innovative leadership, and aggressive problem-solving skills. We provide a rapid and effective response to all requests for service by the community, visitors and surrounding region.

Vision

We serve as the leader in all areas of community protection, and dedicate ourselves to the region through innovation, compassion, efficiency, collaboration and partnerships.

Values

Exceptional service, Integrity, Honesty, Respect, Trust, Efficiency and Innovation

2017 – 2021 Strategic Directives - Overview

Encourage and engage our people in professional development: Our employees consider professional development an opportunity to do their part for a strong and cohesive team. They are empowered in their areas of interest to become the best team member possible to help build a proactive and responsive Flagstaff Fire Department.

Enhance Internal and External Communication: All employees facilitate inclusive and transparent internal and external communications that are clear, concise, and delivered to the appropriate audiences in a timely manner.

Develop External Partnerships: The Flagstaff Fire Department develops mutually beneficial partnerships to better serve and enhance public safety and livability of the city and region.

Maintain and Improve Operational Capabilities: The Flagstaff Fire Department provides for community safety through the efficient and effective implementation of best practices, technology, innovation and partnerships to provide the highest service level possible.

Strategic Directive #1: Encourage and engage our people in professional development

Our employees consider professional development an opportunity to do their part for a strong and cohesive team. They are empowered in their areas of interest to become the best team member possible to help build a proactive and responsive FFD.

Strategic Objectives:

1. Support training specific to individual interests.
2. Openly recognize the organizational value of all positions and encourage employees to learn the next level jobs.

Performance measures

<u>End FY</u>	<u>Goal</u>
2017	Expand training budget according to plan Develop FFD WFM position Taskbooks Develop FFD BC Taskbook
2019	Every shift has a minimum of 4 completed Taskbooks at each level (ENG, Capt)
2021	Fill all special skills positions with candidate waiting list (Ex: 39 CEPS, Crew Boss)

Time Frame	Actions to support objectives
Now, ongoing	Identify interests, strengths, and weaknesses in 1 on 1 meetings and in ongoing evaluations with quarterly checks.
1-3 years	Employees identify training and support needed to support areas of interest. FFD supports/funds the requests.
2-5 years	Complete all remaining Taskbooks (FF, Engineer, Captain) Seek out and gain support for State sponsored training Create training calendar for department and State sponsored training Create/disseminate "Investing in You" Encourage higher education (need clarification on this)

Strategic Directive #2: Enhance Internal and External Communication:

All employees facilitate inclusive and transparent internal and external communications that are clear, concise, and delivered to the appropriate audiences in a timely manner.

Strategic Objectives:

1. Provide training to captains on writing effective performance evaluations and providing effective feedback.
2. Map out regional operational plan for proactive external communication.
3. Facilitate and encourage participation in strategic conversations and planning at all levels.

Performance measures

<u>End FY</u>	<u>Goal</u>
2017	Develop and communicate expected standards Clarify expectations from BCs, conduct training Improve internal and external stakeholder perception over 2016 survey, include stakeholders
2018	Complete Halogen training Create and implement weekly/seasonal radio spot with Chief All-inclusive outreach to other departments and community demographics (besides kids)
2019	Evaluate and improve website, emphasize strategy
2021	Create and socialize centralized input of information for external communication

Strategic Directive #3: Develop External Partnerships

The Flagstaff Fire Department develops mutually beneficial partnerships to better serve and enhance public safety and livability of the city and region.

Strategic Objectives:

1. Identify stakeholders for current and future opportunities delivering mutual benefit and engage and empower employees to work effectively with external partners.
2. Develop Regional Operational Guidelines (SOPs) for consistency and clarity across partnerships
3. Create FWPP Operational agreements and future funding mechanisms
4. Develop alternative destination partnership
5. Regional IFC/Plans Review adoptions including safety/mutual aid

Performance measures

<u>End FY</u>	<u>Goal</u>
2017	Regional Operational Guidelines 100% completed
2018	FWPP Operational agreements completed with funding mechanisms identified
2019	Alternative destination partnership agreement attained, 100% SOPs developed
2020	100% of Regional IFC/Plans Review completed including safety/mutual aid

Strategic Directive #4: Maintain and Improve Operational Capabilities:

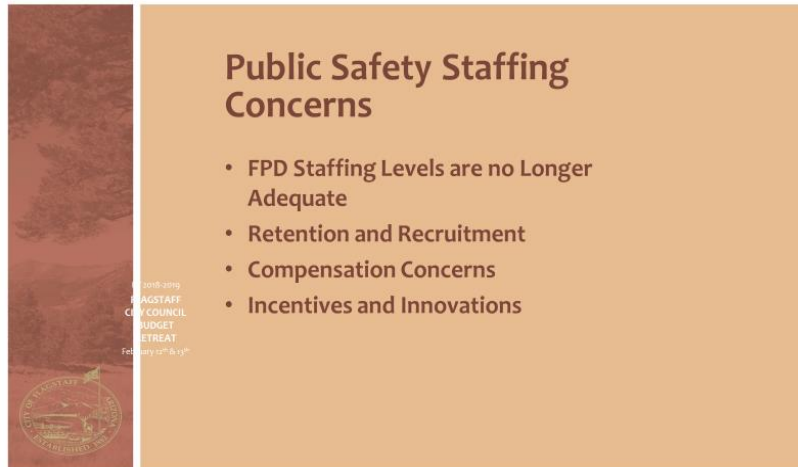
The Flagstaff Fire Department provides for community safety through the efficient and effective implementation of best practices, technology, innovation and partnerships to provide the highest service level possible.

Strategic Objective:

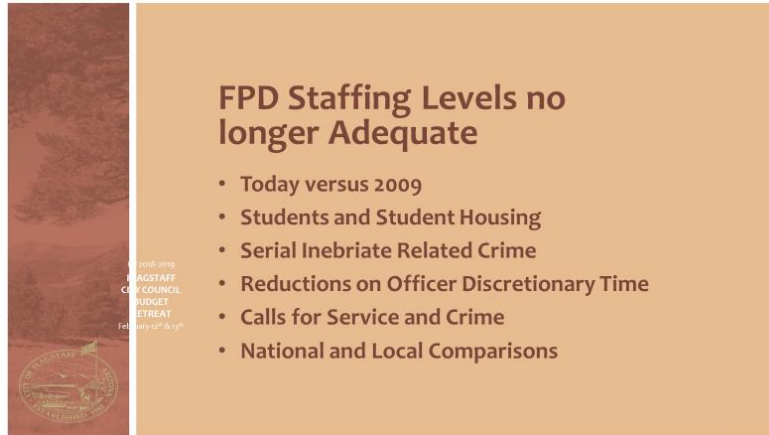
Ensure proper support and direct service staffing required to meet expected service levels aligned to community demographics and risks.

Performance measures

<u>End FY</u>	<u>Goal</u>
2017	Define baseline service levels using a model that responds to changing community demographics, risks and funding. Create and prioritize a staffing plan in a format that responds to changing community demographics and risks.
2018	Secure funding and grants to implement staffing plan
2019	Complete community risk analysis
2020	Redefine levels of service based on community risk analysis



- Our staffing levels are no longer adequate to provide service at the same level we have previously done so because of growth, recruitment and retention problems.
- First, we will speak about growth and how it has impacted workload by out pacing our staffing levels.
- Next, we will discuss how compensation directly impacts our recruitment and retention.
- Finally, we will close with incentives and innovations we have implemented.



What has changed since 2009

- 2009 was the high-water mark in Police Staffing, authorized 118 Officers.
- *The population in Flagstaff has increased from 63,600 in 2009 to 72,961 in 2017.*
- We have seen a 15% increase in population, with 2% reduction in officer staffing (116).
- In 2009, we were at 1.8 officers per 1,000 population.
- *In 2017, we were at 1.5 per 1,000.*
- The four new officers authorized during FY18 (2 COPS & 2GF) = 1.6 per 1,000.
- The state average in 2016 was 1.9 per 1,000 population.
- *In 2009, 6.6% of our calls held for twenty minutes or longer. By 2017, our calls holding twenty minutes had increased to 7.5%.*
- *We have experienced a 65% increase in mental health and suicidal subject calls since 2009.*
- *According to the Flagstaff Convention and Visitors Bureau we have seen a 13% increase in hotel occupancy rates since 2009.*

Increased Student Population and Housing Impacts

- The NAU student population has risen from 16,000 to 22,000.
- These are some of the more frequent users of police services.
- *With the revision of the party ordinance, Officers are more responsible for tracking incidents and contacting property owners.*
- *We now collect data on student arrests and activity and share this information weekly with the NAU Dean of Students.*
- *The Grove student housing complex generates an average 360 calls per year.*
- *An average of .46 calls per bed per year.*
- Several new student housing projects are being developed or just opened.
- *-These include: Fremont Station, Mountain Trail, The Hub, The Standard, Arrowhead Lofts, and Trailside, which will account for 2,451 new student housing beds.*
- *-Additional projects, Mill Town (381 units with approximately 1201 beds) and Canyon Del Rio (1,249 units with an estimated 1873 beds), are also on the horizon.*

- Once completed it is estimated these housing units will add additional estimated 2,541 calls for service in the future.

Serial Inebriate and Transient Related Impacts

- Lack of staffing results in our inability to proactively address low level criminal activity of our most vulnerable populations.
- This has in part resulted in an increase in more serious crime committed by and against this population.
- Serial inebriates were involved in 34% of our aggravated assaults, 56% of our robberies against persons, and 32% of our sexual assault reports as either a victim or a suspect in 2017.
- Some members of this population are becoming more violent.
- Assaults against healthcare workers by this population are up 94%
- Assaults against law enforcement are up 30%.
- *A far greater percentage of those being booked into Jail today require a medical clearance than ever before.*
- *Transports and security to FMC for refused prisoners has amounted to 474 staff hours in 2017.*
- *The Flagstaff Shelter Services opened in east Flagstaff in 2012. Initially they were only open seasonally, (2012-2013) but have since been in operation year-around. During the first two years we responded to 132 calls for service. Since that time (2014-present) we have responded to 1,019 calls for service, equating to an average of 340 calls per year at this location. In 2017 we responded to 534 calls to the Shelter.*

Reductions on Officers Discretionary Time and the Effects

- Officers average 10-12 calls for service per day. They file 4-5 written reports on average per day.
- *Body cameras introduced in 2014, result in up to 30 minutes per shift for officers to download the images, review for their report and catalogue them.*
- *In 2017, we issued on average 92 citations per 1,000 population which is behind the Benchmark City Survey average of 138 citations per 1,000 population.*
- In 2009 officers issued 12,207 warnings and repair orders to help keep the motoring public safe.
- In 2017, we issued less than half of that at 5,663.
- *Police Officers are currently responsible for transporting prisoners from the jail to the City court for appearances.*
- *We transport an average of 1200 prisoners a year, which averages out to 600 staff hours.*
- *Safety concerns have resulted in an increase of one to two officers to conduct City Council security on Tuesday evenings.*
- *Workloads and demands result in officers having to routinely break early from one call to handle one of higher priority.*

- Officers have voiced concerns over handling potentially violent in progress calls without immediate backup.
- *On two occasions in the fall of 2016, partnering agencies (DPS in this case) were called to cover Flagstaff streets when **every** FPD officer was tied up.*
- *Police Chief Fowler at NAU stated his officers are coming into the City more than ever before to assist in backing up FPD officers on calls because there is no FPD backup available.*
- *Our overtime audits reflect 80% of all overtime generated is from officers holding over at the end of their shift to handle calls holding, or writing reports they were unable to complete during their shift, because they were answering calls for service.*

Calls for Service and Crime Driving the Officers Workload

- After seeing a multi-year drop in crime rates, crime rates spiked in 2017.
- Flagstaff experienced a 16% increase in violent crime including seven homicides (we had zero homicides in 2016).
- Crime statistics for 2017 indicate we met very few of our crime prevention goals.
- The lack of crime reduction strategies is the direct result of reduced staffing.
- *While the application for search warrants for blood were essentially non-existent in 2009, today 40% of all DUI arrests are now processed through a search warrant to obtain blood. This adds an additional hour to the previous two-hour processing time with breath samples. (In 2016, we made 580 DUI arrests, with 244 of them resulting in search warrants to obtain blood).*
- *We have seen an increase of 2% in vehicle collisions investigated by our department (2860 collisions in 2017, versus 2803 in 2009).*
- FPD has experienced a 3.3% increase in calls for service since 2009. In 2009 we had 118 Officers. If we do the math and apply the 3.3% increase of calls for service to our then staffing of 118 officers, we should be requesting four more officers in addition to the 118. The 3.3 % increase would put us at 122 Officers.
- Instead we are only asking for two more Officers to get us to 118 sworn, while being innovative and looking to start a non-sworn police aide program with a request of four police aides.

Why only two officers

- We want to be conservative, because it does us no good to have 122 officers and not be able to move them through our pay plan (i.e. retain them).
- We need to re-establish merit increases for our officers in order to retain them.
- We feel the two officers and better retention will help us create our eighth patrol squad, which will work during high call volume times, when the call load is highest.
- We have built appropriate staffing increases into our five and ten-year plans.

Why the Four Police Aides and not Two

- We need at least four of the CPA's to get a true return on investment of freeing up officers for crime and collision prevention, and to justify the time necessary to create the program.
- We believe 48% of the types of calls for service can be answered by police aides.
- *Hiring only two CPA's will not have much of an impact on patrol call loads.*
- *It amounts to the same training investment whether we are training two or four or six of Aides simultaneously.*
- *Police Aides will cost the city less than hiring officers.*

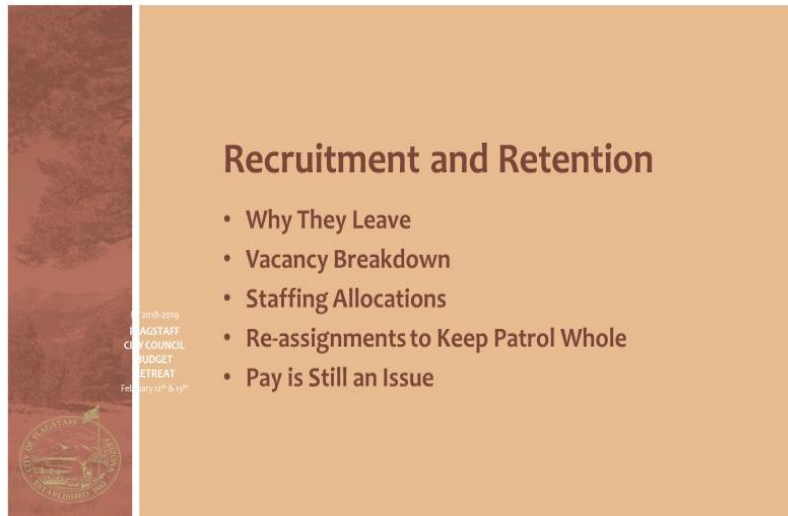
We have become more efficient today, from previous years through a variety of tactics and innovations.

- We use a Comp-Stat program to deploy resources more efficiently to hot spots.
- *The call-notes reporting program allows notes entry instead of full reports on minor calls.*
- *The private property accident report was edited to be user friendly and quicker to fill out on-scene.*
- Citizens can report minor crime and collisions on-line, to cut officer work load.
- Shift schedules have been better aligned with high call volumes, to cut overtime and holding over.
- *We re-aligned our Animal Control Officers to assist with high volume call times.*
- *Grant OT for DUI and Underage Consumption puts additional officers out on special nights.*
- Minimum staffing levels have been set per shift.
- *FBI task force overtime money (\$105,000) is available to help pay the violent crime task force investigators.*
- City Court has been able to schedule some arraignments at the jail.
- This has cut down staff time spent on prisoner transports to City Court.

National and Local Comparisons

- Our people are still the hardest working department in the State, and we are very proud of what we have accomplished despite our reduced staffing:
- We made three times the number of DUI arrests per capita (8.25 per 1,000) in 2016 than those agencies in the Bench Mark City Survey (2.5 per 1,000).
- The Benchmark City Survey showed the average calls for service per year for an officer in 2016 across 30 midsized agencies was 331.
- In Flagstaff, we were much higher at 417 calls for service with our 112 officers last year, when we are fully staffed.
- *This year with 116 officers, it will be more manageable at 402.*
- *When we are down 30% in staffing, the workload per officer is even higher.*
- *According to the Benchmark City Survey, the average calls for service per 1000 citizens across 30 midsized police departments in 2016 was 467 calls annually.*
- *Our community generates more calls for service than most.*
- *In Flagstaff, our calls for service per 1000 residents are much higher at 622.*

- Our clearance rate for violent crimes is 75%, more than double the Benchmark City Survey average of 26.4 %.
- The Sheriff's Department Criminal Investigations Division investigated a total of 228 cases in 2017.
- That averages out to 57 cases per investigator.
- Our Criminal Investigations Division processed 3,299 cases as a unit.
- That averages out to 299 cases per investigator.
- On average a single investigator at our agency process more cases per year than their whole 4-person unit.



Recruitment vs. Retention

- Although recruitment is a piece of the problem, it has the potential to become a much larger piece if agencies, ours included are unable to retain employees.
- *"It is far more costly and time consuming to recruit an officer than to retain one. Reducing retention problems can alleviate much of the need for recruiting"* (Wilson, Dalton, Scheer, and Grammich, 2010, Page xvi).
- It costs \$85,000 to hire and train an officer.
- It costs \$54,000 to hire and train a dispatcher.
- Regardless of whether it is a recruitment or retention issue, our officers are handling heavier workloads than average agencies.
- They struggle to get vacation time off to recharge.
- We have seen them come to work sick so as to not let down their co-workers or leave their co-workers at unsafe staffing levels.
- *This lack of time off and heightened awareness leads to higher stress levels and lower overall morale.*
- *"The wellness and safety of law enforcement officers is critical not only to themselves, their colleagues, and their agencies but also to public safety. An officer whose capabilities, judgement and behavior are adversely affected by poor physical or psychological health not only may be of little use to the community he or she serves but also may be a danger to the community and to other officers"* (President's Task Force on 21st Century Policing, 2015, Page 61).

Why They Leave, the 18 Officers who left us in 2017

- Six went to other agencies (FBI, DPS, Phoenix, Prescott, Peoria, Oro Valley).
- Five retired (typically we only see 2 retirements/year).

- Fourteen current officers are retirement eligible in 2018.
- *Four left police work altogether.*
- *Two resigned under investigation.*
- *One took a medical.*
- We can replace an Officer on paper, but the relief on patrol is not realized until a year later.
- When the economy is good, recruitment is more challenging.

Nationwide most agencies are finding it harder to recruit for multiple reasons

- The current negative sentiment towards police perpetuated by the media has turned away prospective recruits.
- *The violence toward officers being shown on the news leads recruits to look for safer employment.*
- *Police body cameras show the violence first hand.*
- *Recruits cannot pass the background, physical fitness test, or they fail training.*
- *Illegal Drug use or criminal activity gets them disqualified.*
- *Many candidates seek less militaristic and more flexible work.*
- *"Several states have found that at least 25% of officers leave their departments within the first 18-36 months on the job."*
- *"Field Training Officers or supervisors often hear the officer say, this job is not what I thought it was." (Orrick, 2007, Page 7).*
- Across all races, we hire roughly 1 out of 17 applicants overall (5.9%).
- We lost 18 officers in 2017, but hired 16 new officers, (a cost to the city of \$1,360,000).

The Seven (7) Dispatchers who have left the City in 2017

- Four left for other jobs in Flagstaff.
- Two left for local private industry 8-5 jobs, that matched their salary.
- Two were unable to complete training and resigned.
- One moved out of state.
- We lost seven (7) dispatchers in 2017, but hired seven (7) new dispatchers (a cost to the city of \$378,000).

Vacancy Breakdowns

- *Our high turnover and difficulties in recruiting compounds the high work load.*
- Currently down 27 officers: *vacancies (8), Police Academy (6), 10 FTO, Military (2), & Light duty (1).*
- This is 27 out of the 68 officers and corporals who respond to calls for service.
- Represents a 42% reduction in patrol staffing currently.
- Dispatch is currently down 37% with 8 vacancies and 3 in training.

Allocated Staffing

- FPD is authorized 116 Officers and 30 Dispatchers.
- Proud of the way we allocate our limited resources.

- Many agencies only have 30-50% of their officers assigned to patrol.
- We have over 70%.

Re-assignments to Keep Patrol Whole:

- Turnovers/vacancies have required re-assignment of 10 specialty positions to patrol:
- *Gang Officers (2), Sunnyside (3), USM Task Force (1), Detective rotators (3), SRO (1)*
- *These assignments or specialty positions when staffed provide great resources to our community.*
- Specialty positions are also an opportunity for our employees to advance their career and seek additional expertise.
- In 2017, we were unable to staff Sunnyside King Squad, and had 3 homicides in 2017.
- One inside a city facility and another outside an elementary school.

Pay is still an issue:

- The average raise in the Benchmark Cities Survey was 6.5% over the last two years.
- We are behind at 4% total given to our personnel over the last 2 years.
- Our officers are currently about 1.7% under market.
- CCSO deputies received a 2.5% market in FY17 and 2.5% in FY18.
- CCSO also gets a 3% merit increase on yearly evaluations and 4% if they are a supervisor.
- Our employees haven't had merit increases in years.
- Deputy pay has already caught up to our officer pay, and we believe we will lose officers to them.
- They do not have the workload our officers do, and get take home cars!
- The CCSO is also looking at an additional lump sum longevity bonus for Deputies and Detention.
- *A one-time bonus at 3 years, 5 years and \$10,000 at 10 years.*
- A Deputy and an Officer were both hired in the Summer of 2012.
- Even though our starting pay was higher by a couple thousand, the Deputy now makes \$1,264 more per year than our Officer.
- CCSO will continue to outpace our pay unless we reinstate our merits.
- HR is working on a market analysis.
- Our dispatchers are approximately 5.6% under market
- Our dispatch supervisors are approximately 5.5% under market.
- We need to stay up with the market based pay plan, and we need to reinstitute merit increases to remain competitive in our industry.
- It is cheaper to retain people than it is to recruit them and train them for other agencies.
- An audit of our dispatch pay showed a five year employee makes only 24 cents more than a person starting today.
- *Market increases move up the whole pay structure.*
 - *But we have no other tool to move our dedicated/loyal employees through the structure.*
 - *This gives the appearance that we don't value longevity.*



Recruitment Incentives

- \$10,000 hiring bonus for certified officers.
- \$600 City employee recruitment incentive. (3 for 5)
- We have a first-time home buyer program that matches down payments up to \$10,000.
- *Tuition Reimbursement Program allows \$2500 annually to employees seeking degrees.*
- *We have the ability for recruits to test with us nationally at various out of state locations through the National Testing Network.*
- *We fast track our background investigations, to try and beat other agencies to the candidate by making the first offer.*
- *With help from HR, we have hired a former officer on a part time temporary basis to assist with background investigations.*
- *We attend job fairs almost monthly to identify prospective recruits and get them signed up for ride-alongs.*
- *We have used bilingual print and radio advertisements on Tribal lands to try and recruit.*
- *We retained an officer who was going to leave us following her partner to Phoenix.*
- *She serves as the Recruit Training Officer at the Phoenix Regional Police Academy.*
- *This assures we receive the academy seats that we need.*
- *She attends recruitment fairs and conducts background investigations in the Valley.*
- *She ensures the valley agencies are not courting our recruits out from under us at the police academy.*

Retention Incentives

- Uniform reimbursement was increased from \$1,000 to \$1200 annually.
- *Our Early Warning System saves officers' careers.*
- *Our trained Ethics team facilitates an ethics related in-service training every quarter.*
- Our on-site City Attorney produces legal bulletins, policy review, and in-services.

- *Minimum staffing levels have been set per shift.*
- Officers sign a three-year contract.
- *Officers must repay \$30,000 if they leave in the first year, \$20,000 in 2nd, then \$10,000.*
- *Field Training Officers receive 5% additional pay when actively training.*
- *Bullet proof vest replacement program in FY 18 with one-time funding (\$20,000) (20 vests).*

Dispatch Specific Initiatives

- New dispatchers are sent to a formal three-week dispatch academy to learn the basics.
- Dispatchers receive 3% differential pay for swing shift and 5% for graveyards.
- *The Citi-call applicant screening program tests dispatch applicants on multitasking.*
- *Formal CTO program with trainers compensated (2.5%)*
- *Cross training has paid dispatchers incentives (\$400 per channel).*
- *This helps with getting shifts covered on other channels.*
- *Dispatch uniform allowance was restored to \$900 per year from \$600 per year.*
- *Awards for Emergency Medical Dispatch, Lifesaving, baby delivery, etc..*

Investments in Employee Morale

- We hold an annual awards banquet to celebrate our success.
- We implemented a shift bid system based on seniority at the recommendation of our Officers Association.
- *The Critical Incident Stress Management Team provides professional and peer counselors.*
- *Formal promotional ceremonies upon promotion (badge from past rank).*
- *We remodeled and added newer equipment to our work out room.*
- *Involvement of all employees in our strategic planning process.*
- *We instituted a peer mentoring program, new officers are paired up with seniors.*

Our Continuing Needs

- **We are requesting (Four Civilian Police Aides and Two More Officers):**
- Requesting four CPA positions to relieve officers from minor calls to focus on the volatile ones and proactive self-initiated activity.
- CPA's can handle 48% of calls for service based on an audit of 2017 calls.
- It will be the same time investment to train two CPA's as it will to train four.

We are requesting the final two Officers out of the six requested and authorized last budget cycle.

- With two additional Officers, and improved retention.
- We will be able to staff another squad and move to an 8-squad format.

- *A goal first established in the FPD strategic plan in 2008.*
- *The 8th squad would handle calls for service during overlap hours.*
- *Primarily focused on calls for service at the student housing locations.*
- *They would work with the newly appointed COF/NAU Community Liaison.*

We need to institute some form of merit increase program

- We need to be able retain all officers (including the new ones) by keeping them competitive in the market, especially the local market.
- This means being able to move them through the pay steps with a merit program.



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