

# **An Action Plan for Sustainable Police Services for the Village of Upper Brookville**

**The Trustees of the Village Of Upper Brookville**

**March 31, 2011**

# Outline

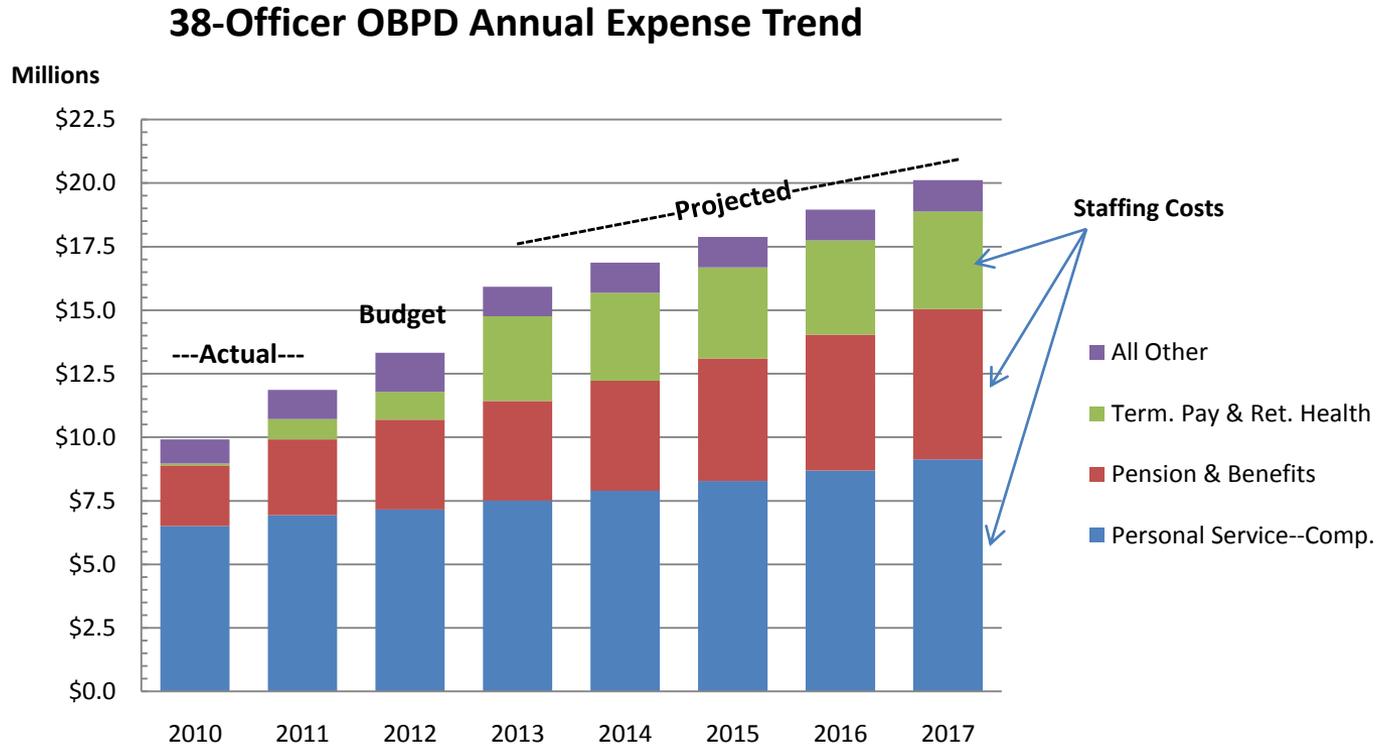
- **The Seven Village OBPD—History, the Partnership Structure, and VUB’s Participation**
- **OBPD Costs and Trends--Challenges to Sustainability**
- **Drivers of OBPD Costs—Staffing, Commitments, and the Growth of Unfunded Liabilities**
- **Where We Are—OPBD Costs and Our Village Budget**
- **Where Costs Are Going—Projected OPBD Costs and Our Village Budget**
- **Village Conflicts Over OBPD Budgets and Direction—Business-as-Usual vs. Fiscal Responsibility**
- **Muttontown Leaves the Seven Village OBPD: The Tipping Point for a Sustainable Alternative**
- **Sustainable Police Services for Our Village—Options and Implications**
- **Trustees’ Action Plan—Finding Sustainable Police Services for Upper Brookville**

**The OBPD provides police services to seven North Shore villages under a Joint Protection Agreement (JPA)**

- **Original “Partnership” was organized 60+ years ago to “share” the OBPD**
- **Now a seven village “consortium”—Old Brookville, Brookville, Upper Brookville, Muttontown, Matinecock, Mill Neck, Cove Neck**
- **Original rationale—remote, rural villages, isolated by sparse roads and pre-WW II technology sought cost-effective, locally based police protection**
- **Current reality—villages now part of a populous, trafficked metro suburb, contain three universities, a medical research center, a corporate headquarters, a conference center, nine country clubs, and the Tilles Center**
- **OBPD now a 38-officer force networked to the public safety “grid”—NCPD, adjacent PDs, FDs, etc.**
- **OBPD provides patrol services—no “HQ services” (Nassau), no EMS (Fire Depts.)**
- **Department Governance Structure—OBPD (“owned” by VOB) reports to a 7 village Board of Commissioners**
- **One vote per village**
- **Villages’ share costs based on County assessed property valuations (excludes tax exempt)**
- **Police Headquarters building leased to OBPD by VUB, lease expires May 31, 2011**
- **JPA expires May 31, 2011**

## OBPD Costs and Trends--Challenges to Sustainability

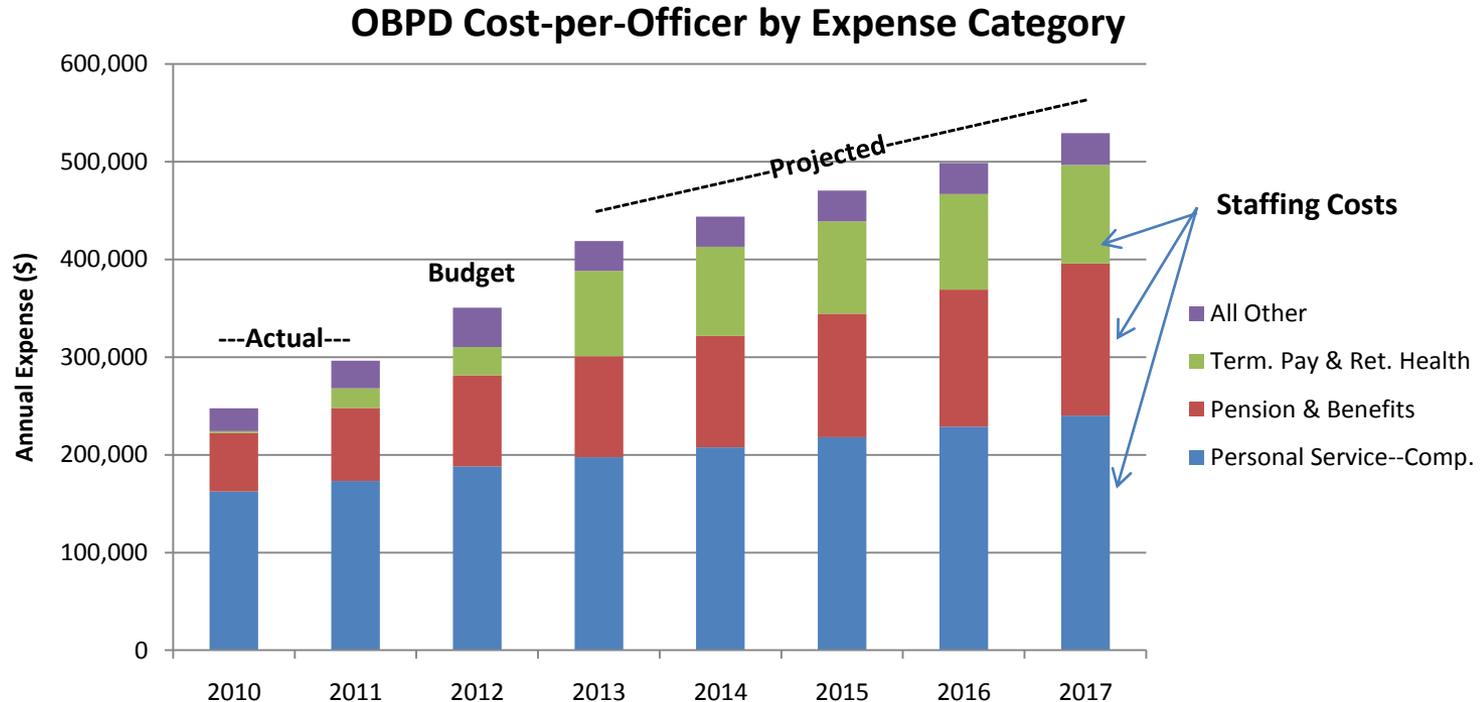
**OBPD's annual operating costs are projected to double over seven years and reach \$20 million by 2017**



- From 2010 till 2012, OBPD's annual costs are up from \$10 million to \$13+ million
- Staffing Costs are 90% of the cost of running the Department
- Staffing Costs will continue to drive operating costs higher by 10.5% annually
- Beginning in 2013, retiree costs will include annual "catch-up" contributions of \$1.8 million to cover a \$28 million unfunded liability for retiree healthcare costs
- The costs of a planned 13,000 square foot OBPD Headquarters are not included

## Drivers of OBPD's Costs—Staffing, Commitments, and the Growth of Unfunded Liabilities

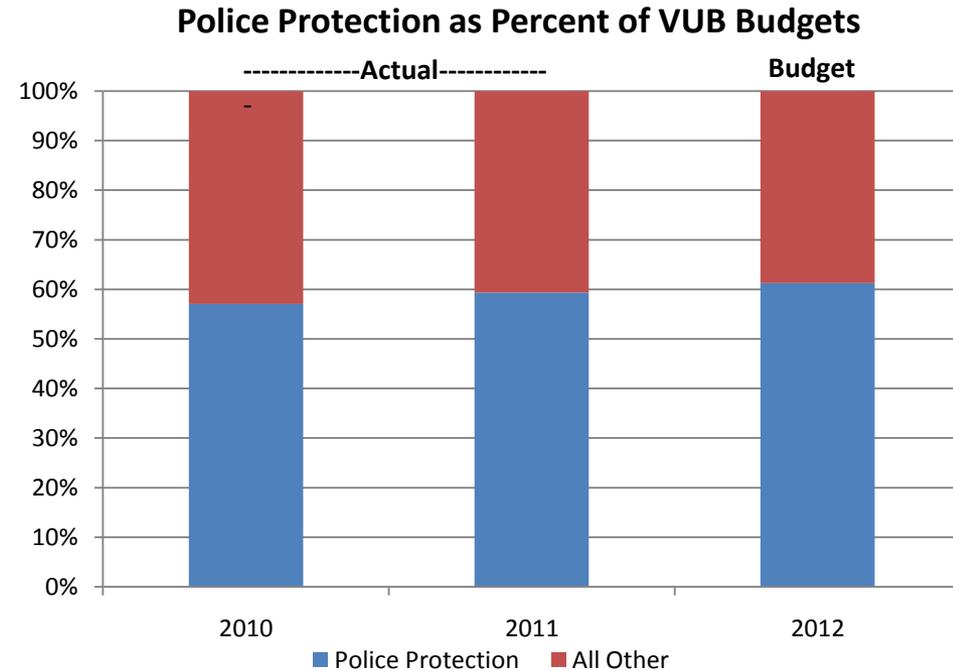
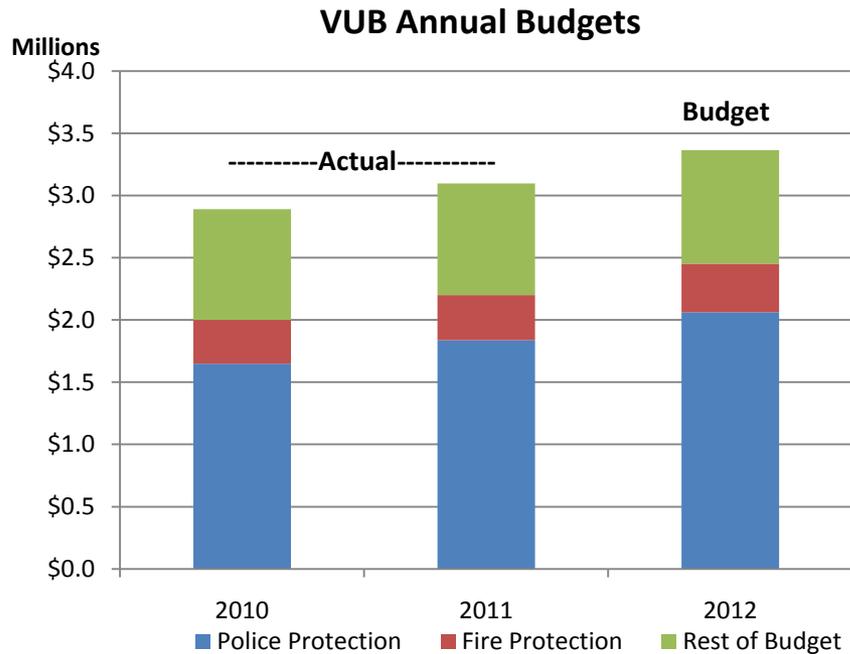
**Driven by locked-in costs and past unfunded liabilities, the cost-per-officer in 2012 will rise from \$350,000 to over \$500,000 in 2017**



- Per-officer costs have risen from \$250,000 in 2010 to \$350,000 in next year's OBPD budget
- Holidays, sick leave, and vacations add 30% to the effective cost of having an officer actually on duty
- Salaries have been growing at 5% annually
- Pension and Benefits expenses will double in five years
- Termination payments to four retirees in 2012 will total \$1.4 million, taken from reserves only half funded (not included above),

## Where We Are—OPBD Costs and Our Village Budget

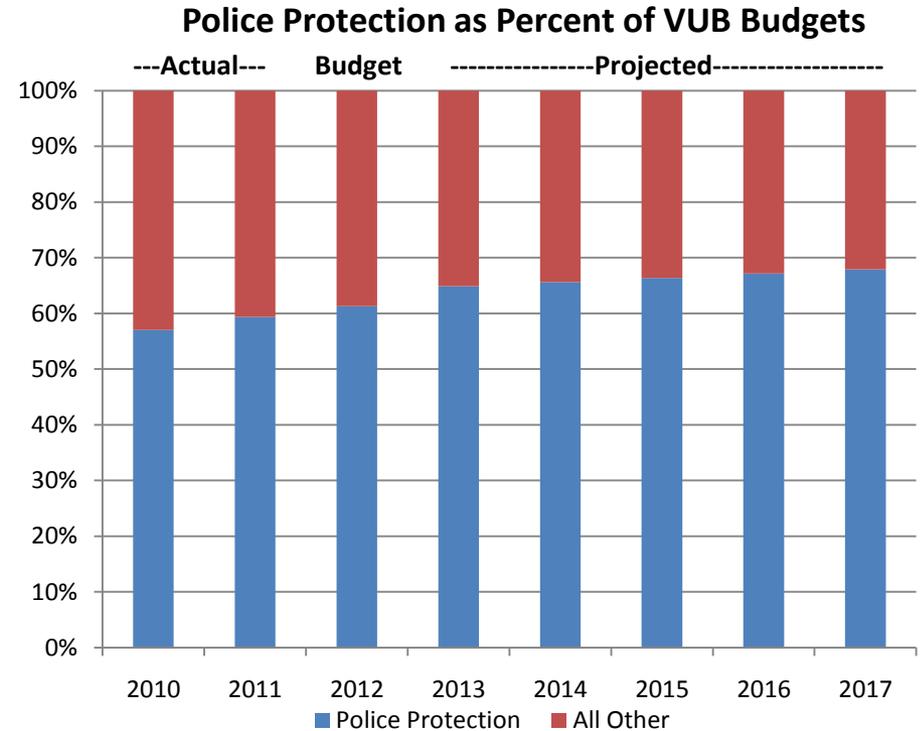
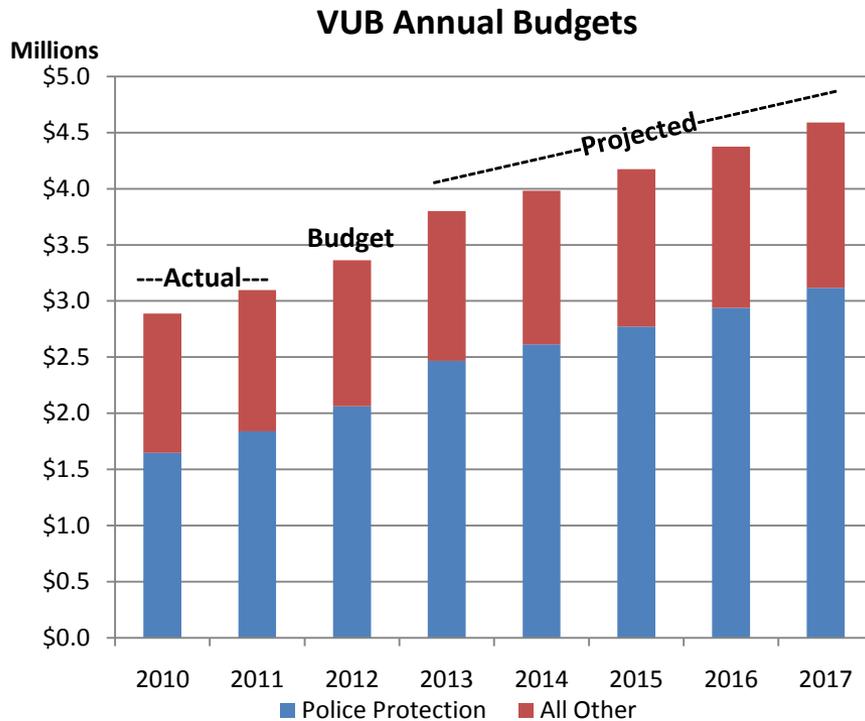
The cost of OBPD services has been the largest and fastest growing portion of the Upper Brookville budget



- Based on property assessments, our Village pays about 15% of OPBD's operating cost
- In 2011, \$1.8 million of our Village's \$3.1 million budget will go to the OBPD
- That is a \$190,000 increase from 2010
- For 2012, OBPD costs for our Village will increase by another \$220,000, to \$2.1 million
- Those are back-to-back increases of 11.5% and 12.1%.

## Where Costs Are Going—Projected OPBD Costs and Our Village Budget

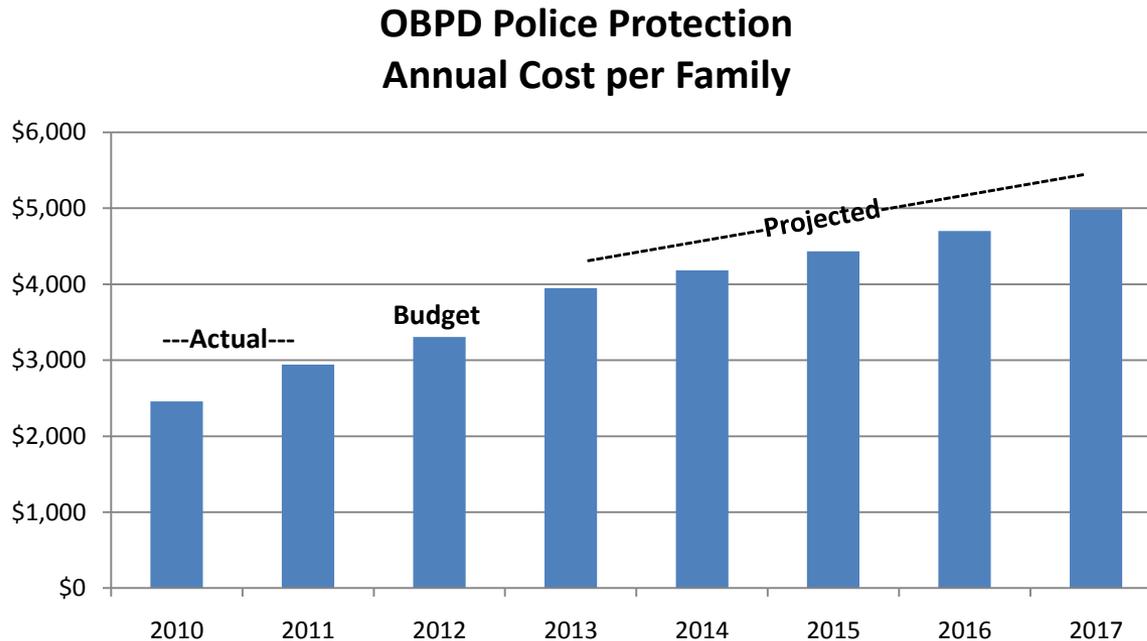
The cost of OBPD services are projected to increase our Village's budgets faster than all other costs



- Over the next six years, our Village Budget will grow from \$3.1 million to \$4.6 million
- Of the \$1.5 million increase, \$1.3 million will be from increases in OBPD operating cost
- Police protection cost will grow by 10.5% annually, while the rest of our costs will grow at a 2.5% rate
- By 2017, \$3.1 million of our Village's \$4.6 million budget will go to the OBPD
- From 57.0% in 2010, our payments to OBPD will reach 67.9% of our 2017 Village budget as a member of the seven village partnership

## Where Costs Are Going—OPBD Cost Projections and Our Village Budget

**For the average family in our Village, by 2017 the projected cost of OBPD services will exceed its entire Village tax bill this year**



- **The average Village family paid a bit under \$5,000 in Village taxes in 2011**
- **Of that, almost \$3,000 per family was for OBPD costs borne by the Village, a \$500 increase from 2010**
- **Projected forward, the OBPD cost per family will double in seven years, reaching \$5,000 in 2017**

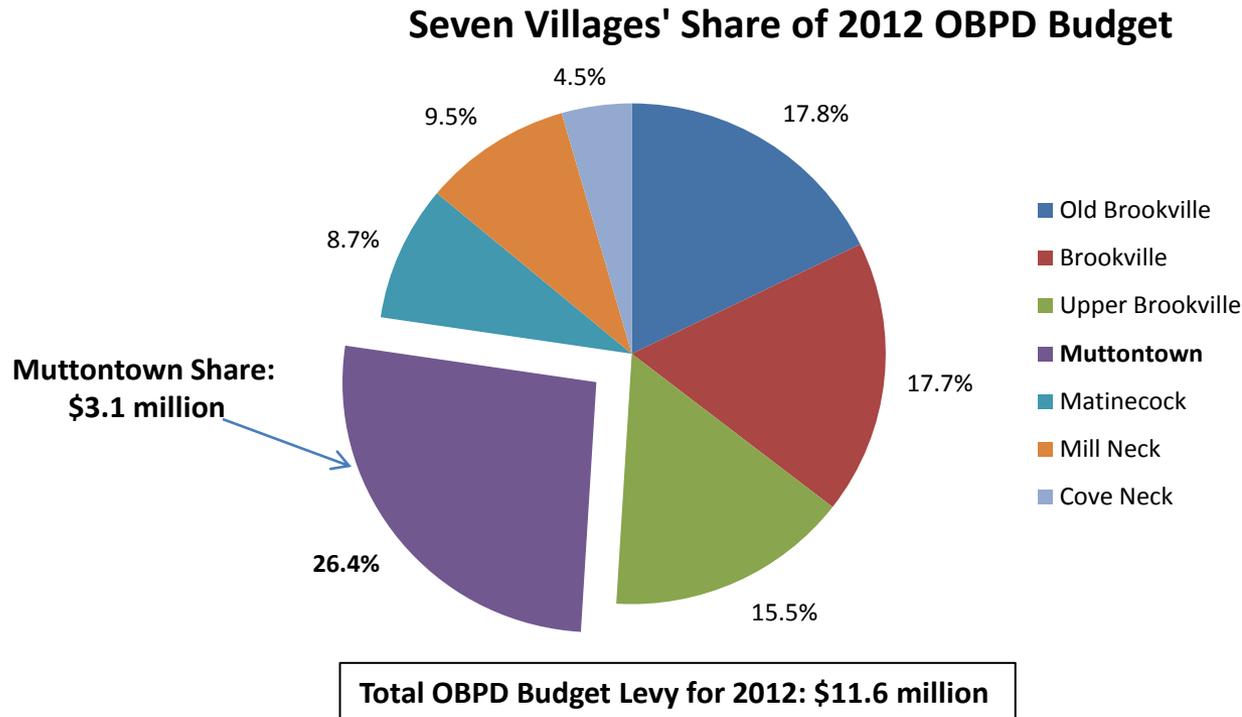
## **Village Conflicts over OBPD Budgets and Direction—Business-as-Usual vs. Fiscal Responsibility**

**Sharp differences have emerged between a minority of villages wanting to “bend the cost curve” and a consistent majority supporting the status quo**

- **Differences over managing key cost drivers:**
  - Staffing levels—cost / coverage / sustainability tradeoffs
  - “Unit labor costs”—pay, time off, benefits, escalators
  - Unfunded liabilities for termination pay and retiree health benefits
- **Differences over “scale”:**
  - The new Headquarters—how big, how costly, where sited
  - Adding more villages—are there real economies-of-scale?
- **Differences over governance:**
  - Who’s in charge—are the Commissioners leaders or followers?
  - Equal vs. proportional voting for Villages
  - “Fairness” to individual villages—who pays vs. who benefits
- **Having increasing concerns about financial sustainability of the force as currently configured, Upper Brookville has been in a minority advocating fiscal responsibility**

# Muttontown Leaves the Seven Village OBOD: The Tipping Point for a Sustainable Alternative

## The Tipping Point: Muttontown is leaving the OBPD, taking \$3.1 million in funding--\$250,000 per month, effective June 1



- The tipping point—during the Feb.–March Commissioners’ meetings on OBPD’s 2012 budget:
  - A Commissioner (in the “status quo” majority) invites Muttontown (in the “fiscal responsibility” minority) to leave the JPA
  - Muttontown subsequently chooses to leave, effective May 31, when the JPA expires
- Upper Brookville, now a minority of one, has to make some tough choices about:
  - Protecting our Village from the effects of this immediate funding loss
  - A more affordable, sustainable arrangement for police services for our Village

## Sustainable Police Services for Our Village—Options and Implications

[Details to follow, as options are identified and examined.]

## Trustees' Action Plan—Finding Sustainable Police Services for Upper Brookville

[Details to follow, as our options are qualified, quantified and proposals received from service providers.]