

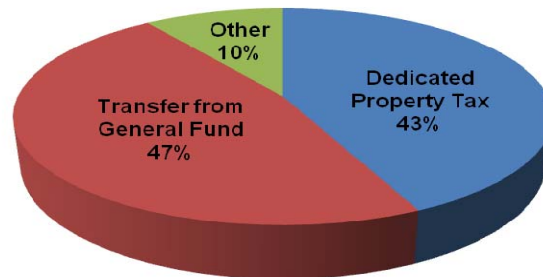
How Should We Fund Police Services?

The Police and Road Funding Technical Review Committee seeks your input

Fall 2011

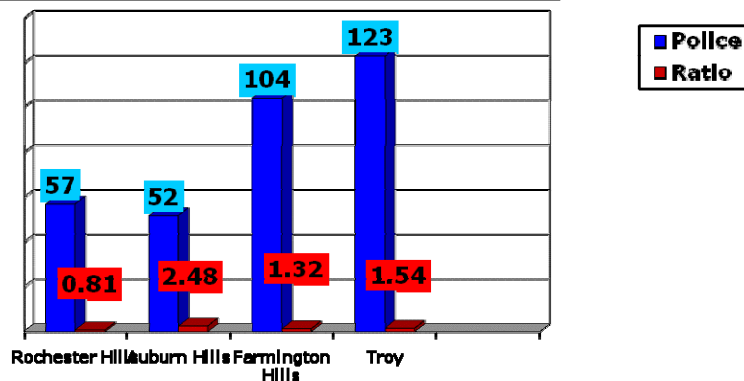
Police Services are a local responsibility. Since the creation of Rochester Hills in 1984, the city has grown from approximately 24,000 residents to nearly 71,000 residents today. Rochester Hills contracts with the Oakland County Sheriff to provide Police service for our residents and businesses. When the city charter was originally created, no dedicated Millage was stipulated for Police Services. Consequently, all funding for Police was allocated from the General Fund. With the population growing rapidly, voters renewed dedicated Police Millages in 1993 and 2007. In 2011, the existing Police Millages provide for 43% of the funding for Police Services, and the General Fund and Other Revenue sources cover the remaining 57%. With both dedicated Police Millages due to expire in 2013 and declining General Fund revenue, **future funding of our Police Service is at risk.**

**Special Police Fund
FY 2011 Revenues**



Today's situation is impacted by lower tax revenues and increasing costs. City officials strive to maintain Rochester Hills as one of the lowest taxed cities in Oakland County. This means that cuts in operating expenses and services continue to be needed to maintain a balanced budget. Police Services are not exempt from budget reductions. The 2011 budget reduced the number of Police Officers due to lack of funding. The 2012 budget is proposed to further reduce the total number of Police Officers. Currently residents feel safe, however continued reduction of Police Services could have dangerous long term consequences. Significant future reductions in Police Services are possible if the current Millages expire in 2013, and/or other supplemental funding is not found. **Rochester Hills has maintained the lowest cost and the lowest ratio of Police Officers per capita of most Oakland County cities.**

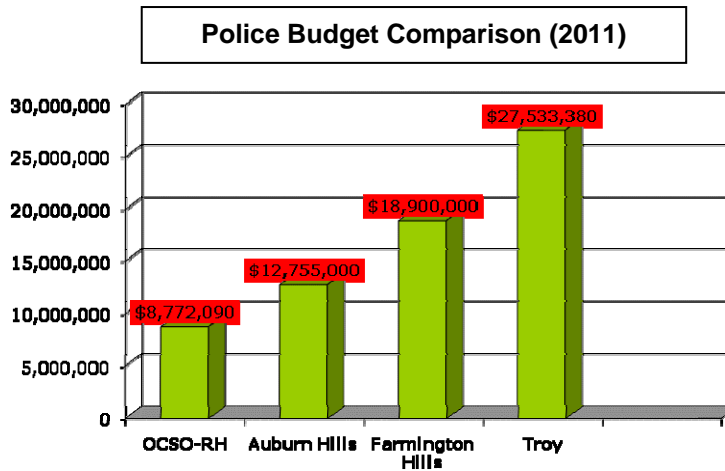
Sworn Officers per 1000 Residents (2011)



How Should We Fund Police Services?

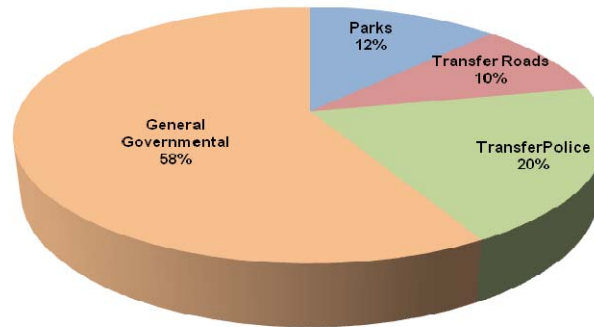
The Police and Road Funding Technical Review Committee seeks your input

Fall 2011



The current annual cost of Police Services is approximately \$9 million dollars, which is equivalent to more than 3 mills of tax revenue. The two Police Millages for FY 2011 totaled 1.2083 mills and account for \$3.8 million in funding, leaving the General Fund and Other Revenue Sources to cover the difference. General Fund is close to levying its maximum allowable under the Charter as constrained by the Headlee roll backs. Fire service is funded through a separate dedicated Millage of 2.5 mills as stipulated in the charter. Fire Service is also projected to require General Fund supplements in the near future. Should voters choose not to renew the expiring Police Millages in 2013, available funding would be cut nearly in half. With limited additional funding available in the General Fund, City officials would be faced with the prospect of significantly reducing Police Services or severely cutting expenditures for other services such as parks and roads.

General Fund Expenditures by Function
FY 2011



The Police and Road Funding Technical Review Committee is working on alternatives for the Police funding issue for over a year. With the help of key City Council and Administration members, the team identified multiple alternatives to resolve the immediate and long term funding concerns. The alternatives include:

- Proposing to renew the two expiring combined 1.2 mill dedicated Police Millages with a single new 20-year dedicated Police Millage.
- Proposing a 20-year dedicated Police Millage which would fully fund Police Services.
- Proposing a change to the city charter to include a perpetual dedicated Police Millage to fully fund Police Services
- Proposing a dedicated Millage to fund "quality of life" services such as Parks, Local Roads, Green Space, or Road Construction

Each proposal has pluses and minuses. However, one thing is certain – we must take responsibility to decide on the level of Police Services we desire in Rochester Hills. The Police and Road Funding Technical Review Committee seeks your input on the proposals. Please send your comments to webberm+prtrc@rochesterhills.org so we can include your thoughts and ideas. Our meetings are also posted on the city's website, should you wish to attend an upcoming meeting.