



City of Grand Island

Tuesday, January 25, 2022

Council Session

Item I-4

#2022-32 - Approving Establishing a Police and Fire Personnel Stabilization Fund

Staff Contact: Patrick Brown

Council Agenda Memo

From: Patrick Brown, Finance Director

Meeting: January 25, 2022

Subject: Establishing a Police and Fire Personnel Stabilization Fund

Presenter(s): Patrick Brown, Finance Director

Background

During prior economic downturns Police and Fire positions were frozen and were not filled in order to balance the budget. It has been brought to Mayor Steele's attention that such past actions have been harmful to future hiring of Police and Fire personnel. By establishing a Police and Fire Stabilization Fund, the City could avoid freezing public safety positions and would supplement Police and Fire personnel costs in the General Fund.

Discussion

The proposed Police and Fire Personnel Stabilization fund is intended to insure that first responders are not laid off during difficult economic times. For example, in 2018 the City eliminated one Community Service Officer and 2 police officer positions. Subsequently the reduction in workforce in the Police Department has had an adverse effect in recruiting and retaining police officers. Establishing such a fund provides two distinct benefits. One, the City is committed to fund public safety in good or bad economic times. Secondly, moving these funds to a separate fund shows current and future public safety employees the commitment the City is making to public safety. These funds would be used to fund personnel costs only as defined in the City's annual budget. The initial investment would be funded with excess cash reserves currently in the General Fund.

Administration is proposing to invest \$1,000,000 into a newly created Police and Fire Stabilization Fund. If funds are used out of the Police and Fire Stabilization Fund, then replenishment of the fund would come from Police and Fire vacancy savings but only after the General Funds cash reserves meet the City's Fiscal Policy.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the creation of the Police and Fire Stabilization Fund and funding it with \$1,000,000 transfer from General Fund cash reserves.
2. Postpone the issue to a future meeting.
3. Take no action.

Recommendation

City Administration recommends that the Council approve the creation of the Police and Fire Stabilization Fund and funding it with \$1,000,000 transfer from General Fund cash reserves.

Sample Motion

Move to approve the creation of the Police and Fire Stabilization Fund and funding it with \$1,000,000 transfer from General Fund cash reserves.

RESOLUTION 2022-32

WHEREAS, the City of Grand Island proposes to create a Police and Fire Stabilization Fund; and

WHEREAS, the purpose of this fund is to pay police and fire personnel costs in lieu of eliminating or freezing positions in times of economic downturn; and

WHEREAS, General Fund cash reserves of \$1,000,000 shall be transferred to the Police and Fire Stabilization Fund for initial funding; and

WHEREAS, funds from the Police and Fire Stabilization Fund shall only be accessed in difficult economic times as determined by City Council and shall be used to maintain the City's police and fire staffing levels; and

WHEREAS, funds from the Police and Fire Stabilization Fund shall only be expended for police and fire personnel services by transfer to the General Fund; and

WHEREAS, replenishment of the Police and Fire Stabilization Fund up to \$1,000,000 will be from Police and Fire vacancy savings after the General Fund meets its cash reserve threshold as established by the City's Fiscal Policies.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Finance Director is directed to create a Police and Fire Stabilization Fund and transfer \$1,000,000 to the Police and Fire Stabilization Fund from cash reserves in the General Fund.

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Adopted by the City Council of the City of Grand Island, Nebraska, January 25, 2022.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
January 21, 2022	☐ City Attorney