




**CITY OF COSTA MESA
OFFICE OF THE CHIEF OF POLICE
INTEROFFICE MEMORANDUM**

TO: Mayor and City Council

FROM: Robert N. Sharpnack, Chief of Police 

SUBJECT: FY 19/20 Budget

DATE: May 23, 2019

Mayor and Council Members,

I realize each of you have been involved in the FY 19/20 budget meetings and process in varying degrees. I am appealing to you with this memorandum to ensure you are all equally aware of the deep concerns I have with the FY 19/20 budget. To be clear, the planned cuts to the Police Department will negatively impact our ability to do our job in a safe manner and they will jeopardize safety in the community. This does not even include the requested technology and equipment items the Department desperately needs. While I realize shortfalls must be balanced, I am questioning the lack of priority for law enforcement and the rationale behind funding other projects, events and items over safety.

Moreover, and most importantly, the Police Department has yet to fully recover from the devastating contraction, which bottomed out approximately 6 years ago. The 40% sworn officer contraction was worse than any department in the City and most likely the county. Every member of my department, from sworn to non-sworn, full to part-time, have laid it all out to bring this organization back to where we are today. However, we are still navigating the rebuilding process.

While we have made enormous strides and achieved impressive results over the past 4 years, the internal condition of the Police Department remains sensitive. All of our non-sworn positions have been extremely hard to fill due to a non-competitive contract. Our dispatch center is in crisis mode, with only 50% staffing. Between now and 2021, 29 sworn officers will be eligible to retire. Most of these officers are from the rank of sergeant and above, including myself. I have provided this information on numerous occasions. Unfortunately, outside of the Police Department, no one seems to share my concern.

At the base of the organization, we have a large number of officers in the 1-5 year range. When I hired them, I assured them Costa Mesa was a stable city and the Police Department was on its way to being one of the top agencies in Orange County.

The planned cuts place the Police Department in a very unstable and dangerous position. In my opinion, this is much more than dollars and cents, this is about the working climate both now and in the future.

You yourselves are familiar with the community's high expectations for the Department. The Police Department needs the resources to do the job safely and effectively. If we go backward and lose our progress, there is a real potential for devastation beyond what we experienced 6 years ago. I cannot let that happen to the great men and women who serve this community, the Department and City, above their own needs.

The FY 19/20 budget process has been chaotic, full of poor decisions and saturated in secrecy. Tammy, Kelly and her staff, have made arbitrary cuts and changes to our budget without our knowledge and with no understanding of law enforcement whatsoever. This has been the worst budget process both my staff and I have ever witnessed. I know Chief Stefano shares this sentiment and I would suggest the other directors and staff do as well, but I cannot speak for them.

Prior to my final budget meeting with Tammy and Kelly, we complied with their request to provide an additional \$1.5 million in cuts to our budget. However, due to finance's previous arbitrary cuts, we could only come up with \$427K in cuts. The items included the helicopter program, training funds, bike patrol equipment and SWAT equipment. We advised the remainder would need to come from personnel cuts. Following the submission, Kelly asked my analyst for the account strings of the identified items.

In the final budget meeting, when I mentioned the cuts, Tammy told me there were no cuts. However, after the meeting, they eliminated the additional \$80K funding for training. I questioned how we would operate with such an unrealistic budget, as we will surely go beyond our allotment. Based on the overtime usage over the past 5 years, dispatch and patrol alone are approximately \$1 million underfunded. Tammy told me to operate the Department the same way I have been operating and that they would find the money as accounts are depleted going forward. As you can imagine, operating with all the uncertainties will make my job more difficult and more stressful.

With regard to sworn staffing, I, every chief before me, or anyone in the organization, will tell you that 136 officers is not enough to meet the demands of a city like Costa Mesa. The nature and volume of calls for service have increased, city development and events have and/or will increase and the population and visitor/vehicle volume will rise. In 2018, we experienced a 28% increase (62-81) in violence on my officers, which resulted in injury. My detectives are working close to 1,000 cases on average per month, new legislation in the upcoming years will reduce free patrol time for officers and could make the job much more difficult (e.g. SB 1421, AB 748, AB 392 if it passes, etc.). I bring this up because insufficient staffing has overloaded my members with work and responsibilities. I hope this budget crunch will not be the impetus to cause members to take their knowledge and experience elsewhere. In addition, now is the time to get it right and start thinking about how the city will increase revenues to fund staffing costs in the future.

In the past, our overtime budget has not been properly funded. We have balanced the overages with salary savings due to vacancies. For FY 19/20, Finance applied an 8% vacancy rate to our salary budget, while maintaining the same budgeted amount for overtime as FY 18/19. When we exceed the allotted overtime budget, there will be no funds to balance our overtime. Therefore, we will be forced to reduce overtime expenditures in FY 19/20. As a result, programs and operations will be impacted.

The current FY 19/20 budget is unrealistic and has the potential for significant impacts on both the Police Department and public safety in general. I have voiced my concerns verbally and in writing to Kelly and Tammy. I have not received any response to my emails and at the last meeting with Tammy and Kelly, was told to continue my current operational approach. To provide you with additional information, I am including the emails I have sent to Kelly and Tammy expressing my concerns.

SHARPNACK, ROBERT

From: SHARPNACK, ROBERT
Sent: Friday, May 10, 2019 4:17 PM
To: LETOURNEAU, TAMARA
Cc: TELFORD, KELLY; GLASS, BRYAN; DAVIS, KEITH; WANG, JAN
Subject: FY 19/20 Budget

Importance: High

Tammy,

My staff and I have now gone through the entire finalized FY 19/20 preliminary budget for the Police Department. I appreciate you giving us back the \$347K in service/equipment cuts and the \$973K in funds we were unable to find and remove from our budget. However, after the deep adjustments made to our budget, we still have significant concerns with our ability to keep our personnel safe and effectively provide public safety services.

This is very stressful, my staff and I cannot comprehend how we will maintain operations and services with a budget that is unrealistic and insufficient from the start. Staffing vacancies are a significant contributing factor in this regard. As we have told you, Kelly and finance staff throughout the process, we know we will exceed accounts and more than likely, the total authorized PD budget. In our final budget meeting, you told Jan and I we could maintain our current operational approach in FY 19/20. If and when shortages arise, you and Kelly would find the money to cover them. I do not feel this is a fiscally sound approach; it is difficult to operate with such uncertainty.

To illustrate some of our concerns, I want to describe some of the budget issues we have identified.

- We compared maintenance and operations funds in the adopted FY 18/19 with the proposed FY 19/20 budget. In the past year, we have increased our workload, expanded with new programs and reinvigorated others. The proposed budget does not capture these elements and in fact has decreased our maintenance and operations funds by approximately \$200K. The below examples will show how this major cut will impact our department.
 - Police Administration (50001) – Cuts will prevent us from holding our Employee Recognition Breakfast, participating in our Nixle subscription and properly running our newly restored crime prevention program. We need an additional \$22K.
 - Training (10133) – When asked to cut the \$1.5 million from our budget, we gave back the \$80K we were given for additional training. In FY 17/18, we expended \$182K. Even though our training needs are continuing to rise, we will do our best to manage it. We need an additional \$30K for a total budgeted amount of \$150K.
 - Field Ops Patrol (10111) – Due to the new K9 program, additional work for the Community Policing Unit and Bike Patrol, we want to keep our current budgeted amount by restoring approximately \$20K.
 - Traffic (10113) – The allotted amount for the CFP (blood draws) contract was reduced from \$88K to \$60K. This amount does not meet the contract requirement and \$20K should be restored to meet the new contract amount.

- Animal Control (10139) – The cuts here totaled \$14K. Due to the ongoing coyote management initiative and required resources, we need \$4K restored.
 - Helicopter Program (10112) – The amount allotted for the helicopter contract was cut by 15K and as a result, does not meet the contract requirements of \$315K.
 - Crime Scene Investigation (10132) – \$22K was cut from the program. Due to revitalization of the unit and additional personnel, we need \$10K restored.
 - Youth and Crime Intervention (10135) – The Graffiti Reward Program and professional development were completely cut. Due to the restored and revitalized gang unit, we need the \$8K restored.
 - Property and Evidence (10136) – Due to evidence preservation costs, uniforms and department wide staffing growth and equipment needs, we need \$23K total restored.
 - Jail (10137) – The jail food account was cut by \$30K. We need \$20K restored to this account to purchase mandated (Title 15, Article 12) meals for prisoners.
 - Technical Support Maintenance (51020) – The account used to pay for 800 MHz cost allocation, the Avaya contract and the Cradle Care contract was cut by \$30K. To meet these contract requirements, we need \$25K restored. Radio repair funds were cut by \$15K. We need the entire \$15K restored. Lastly, the uniform account was zeroed out. We need the \$1K restored so we can purchase uniforms.
 - Emergency Services (51040) – This program was cut by \$10K. We recently revitalized the Emergency Management Program and therefore need the \$10K restored.
- We requested the FY 19/20 overtime budget to at least reflect the average of the actuals over the past 5 years. However, in the proposed budget, all the overtime was brought back to the FY 18/19 amounts. The FY 18/19 was far short of what we needed to maintain operations. We were told at the beginning of this process that we were implementing true budgeting. That is why we used the overtime average as our proposed number. With the overtime budget reduction alone, we are forecasting a \$1.4 million shortage in FY 19/20. As we have discussed previously, the major factor contributing to our overtime costs is insufficient staffing. In addition, without exception, we have overtime costs attributed to operational needs (court standby/attendance, shift fills, etc.). Also, to fulfill the demands and expectations of the City and community, we must work overtime operations and programs (bike patrol, school resource officer, etc.).
 - The salary budget includes an across the board 8% vacancy rate. To our knowledge, our current vacancy is already close to 8%. Considering our recruits in the academy/process and ongoing dispatcher recruitment, I am confident we will exceed the proposed salary budget.
 - 23 vehicles were identified by City Fleet for replacement in FY 19/20. In our final meeting, you told me we are only budgeted for 3 vehicles and a K9 trailer. When we talk about vehicles, including motorcycles, officer safety should always be a consideration. Aged and poorly conditioned vehicles are an officer safety risk. These vehicles are driven differently than any other city vehicles and used under much more serious and dangerous conditions. We have high mileage patrol cars and motorcycles that must be replaced. Pursuits and traffic intervention are obvious risks we face on a daily basis. We also have plain cars driven by investigators that are at, or over 100K miles. One vehicle is 20 years old. It is a real concern if one of those vehicles goes down during a surveillance or other undercover operation. We need to have equipment we can count on. I am asking you to please reconsider the vehicle funding and authorize the replacement of at least 17 vehicles.
 - In our final budget meeting, you asked if I wanted you to continue looking for funds to purchase the mobile command vehicle (MCV). That was shortly after I was advised of the above described vehicle

replacement funding. I explained that daily safety and equipment needs of my officers take priority over the MCV. The reality is that we desperately need both, the vehicles and the MCV.

Two years ago, I gave up 4 part-time positions totaling \$400K toward the purchase of the MCV. Crime, natural disasters and emergency events occur randomly and Costa Mesa is no different than any other city in that regard. Those events are not limited to daytime hours and/or ideal weather conditions. Furthermore, will it serve the community well if our dispatch center goes down again as it did last year, and we lose continuity of communications/operations? What do my officers use during an extended operation or while working a large crime scene during a rain storm or extreme heat? What do we use to work a large scale event, emergency, disaster, or an act of terrorism? I can understand if we do not have the funding, but without an adequately equipped MCV, our ability to do our job can be greatly impacted. While I have explained the need for an MCV ad nauseam, perhaps some visual aids will help you. On Tuesday (5/07) we responded to a barricaded suicidal armed suspect at the Regency Inn. The call evolved into a SWAT response.



In the above picture, the equipment in the back of the park ranger truck is our hostage negotiations communications equipment. That is where my trained negotiators communicated with the suspect. Yes, from the bed of a pickup.



The above picture shows the tight ill-equipped space of the makeshift MCV, the rear of the SWAT equipment truck.



The above picture shows the overall of the two vehicles and an EZ Up at the scene. The EZ Up provided cover from the intermittent heat of direct sunlight even though it was a rather mild afternoon.



The above picture shows a properly outfitted mobile command vehicle in use at a crime scene.

That evening, my staff did not have the safety and security to do their job. They did not have privacy from news helicopters, reporters, spectators and nearby townhome residents. They did not have the contemporary technology available to today's law enforcement officers. And, this wasn't even an involved or protracted incident. At the incident debrief, I apologized to my folks that they had to work under those conditions. They did not have the equipment they needed to do their job. Moreover, I am thankful the news media did not televise or publish images of our makeshift setup. My team and I are working tirelessly to bring this Department back from devastation and to be a leader in Orange County LE. While we did a fine job and safely navigated the incident, our lack of resources is an embarrassment to the Department and the City.

I am very concerned there is not a clear priority for the Police Department. I will spare you all the stats that justify our need for financial and equipment resources, along with potential community impacts. But, I cannot reiterate enough, the looming concern we have for retaining and recruiting personnel as the Department is again exposed to an unstable environment here in Costa Mesa.

I have never asked for equipment we do not need. But, by the same token, we are not getting the equipment we need. I cannot make this any clearer, I need your help to provide us with the funds we need to not only do our job, but to keep our folks from leaving. The Police Department is still recovering from the devastating staffing contraction that took place 6 years ago. Between now and 2021, 29 sworn officers from the Department will be eligible for retirement. Most of these officers are from the rank of sergeant and above, including myself.

Our dispatch center is operating with less than 50% of their required staffing. While some adjustments were made to incentivize the position, the attrition since 2012 underscores the problem. In that period, we hired and trained 25 people and only 5 remain employed today. To compound the problem, dispatchers are getting tired of working the 20 plus hours of overtime per pay period. Yesterday's meeting provided more ideas. For example, using sworn officers on an overtime basis to answer phone calls could provide much needed help in the short term. Modifying our training methods or bringing retirees in from other cities is not a viable solution. There must be a plan to bring in qualified dispatchers. We cannot get qualified lateral dispatchers to join our team. We cannot get qualified non-experienced dispatchers who can make it through training. Keith and Joyce will be sending you a follow-up email in the near future. The leadership my staff has demonstrated over the last 4 years is the reason our dispatch center remains operational today. I am very proud of them.

I appreciate your time reading this lengthy document and consideration of my requests. *In summary, I would like your direction for the following three areas:*

1. Budget funding requests
2. Vehicle replacement requests
3. Mobile Command Vehicle

Thank you,

Rob

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SHARPNACK, ROBERT

From: SHARPNACK, ROBERT
Sent: Tuesday, April 16, 2019 10:23 AM
To: TELFORD, KELLY
Cc: GLASS, BRYAN; DAVIS, KEITH; WANG, JAN
Subject: RE: FY 19/20

Hi Kelly,

I know we spoke briefly yesterday afternoon, but I did not see your email until this morning. The deep cuts you and your staff made pre-emptively to our budget, along with the 8% vacancy factor, have left us in a very difficult position. To be clear, the cuts I presented yesterday will have expanded impacts. For example, we will have no helicopter service, no bike patrol and our SWAT team will be in jeopardy of being shelved. To answer your question, after seeing how significant the cuts are to our budget, we have changed our position. Since we are not using general fund money, and I have to use my asset forfeiture fund, we will make the choice on what we purchase. I touched on this yesterday in our conversation, I or my designee are the only representatives who can direct expenditures from the asset forfeiture account.

As far as the mobile command vehicle goes, you told me I could use my asset forfeiture account, combined with my budget for the remainder of the purchase. I don't have an additional \$400K to support the purchase and still come up with the \$1.5 million in cuts you requested. Again, we must re-prioritize and we will let you know what we will be funding from asset forfeiture.

With regard to overtime, it is pretty clear to us that we are not receiving enough funds. Our overtime reflects loudly that our department is understaffed to meet the required workload. For example, in patrol, your budgeted amount is less than half of what we are spending. Even with the closest management, it will be almost impossible to make a significant reduction. I realize you don't understand police work, but we cannot select the lowest paid officers to work overtime, for a number of reasons. Another example would be in our Communications Center. The full time staffing issue is catastrophic. In order for us to maintain minimal service, our personnel have to work mandatory overtime. It is unreasonable to think that with a 50 percent reduction in the unit, we can maintain services with the deficient overtime funding. We will easily outspend the allotted overtime budget and then according to your rules, we will have to pull money from other already depleted accounts to balance out.

The \$2 million surplus you refer to in 17/18, was in large part due to staffing vacancies. For FY 19/20 you have already applied an 8% vacancy factor. Based on your staff's calculations, we can only \$268, 982 to work with in filling current vacancies. We did not include the \$268, 982 as part of the requested cuts because we need it to fill Dispatcher vacancies. In addition, in 19/20, there were many uncontrollable costs added to our budget. For example, the cafeteria plan in patrol was a \$1.3 million increase.

In our opinion, we are creating an unrealistic budget. This instability will negatively impact my department more than any other in the city. I was out of town last week and did not get the message that personnel cuts were off the table. However, we believe that personnel cuts are our only option in coming up with the amount you requested.

If you feel you can provide insight on additional cost savings, you are more than welcome to come over and work with my staff. I will be out the rest of the week in Palm Springs.

Regards,

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From: TELFORD, KELLY <KELLY.TELFORD@costamesaca.gov>
Sent: Monday, April 15, 2019 2:22 PM
To: SHARPNAK, ROBERT <RSHARPNAK@costamesaca.gov>
Cc: GLASS, BRYAN <BGLASS@costamesaca.gov>; DAVIS, KEITH <KDAVIS@costamesaca.gov>; WANG, JAN <JWANG@costamesaca.gov>
Subject: RE: FY 19/20

Hi Chief,

When I spoke to your team last week, we discussed other options such as managing the training budget differently (particularly out of town costs), reviewing revenues to see if there are potential new fees or increases in existing fees, and the possibility of closer management of OT to keep it as low as possible or ensure your least costly officers are working it. Those were just a few things that were off the top of my head. Were those evaluated and discussed? Also, I also need to know what you want to fund, your tech requests or the mobile command unit. If we can't close the budget gap, we may need to consider deferring both, which I'd prefer not to do. In FY 17/18 you came in over \$2 million under budget so I have to imagine there is room to reduce, especially since the FY 19/20 budget is still showing an increase over FY 18/19.

I'm offering up any possible option EXCEPT reducing filled positions. Tammy made it clear before she left that the budget needed to be completely wrapped up and ready for her review by next Tuesday and layoffs were not an option. I'm here for the rest of the day if you want to discuss other options. We need to get closer.

Thanks,

Kelly Telford, CPA

Finance Director
City of Costa Mesa
(714) 754-5241
kelly.telford@costamesaca.gov

From: SHARPNAK, ROBERT <RSHARPNAK@costamesaca.gov>
Sent: Monday, April 15, 2019 11:34 AM
To: TELFORD, KELLY <KELLY.TELFORD@costamesaca.gov>
Cc: GLASS, BRYAN <BGLASS@costamesaca.gov>; DAVIS, KEITH <KDAVIS@costamesaca.gov>; WANG, JAN <JWANG@costamesaca.gov>
Subject: FY 19/20

Kelly,

The table below reflects the Police Department's final attainable cuts:

Possible Cuts	Amount
Helicopter Program	\$ 315,000.00
Training's Additional Budget awarded	\$ 80,000.00
Bike Patrol Equipment	\$ 6,000.00
SWAT Equipment	\$ 26,000.00
Total:	\$ 427,000.00
Remaining Obligation:	\$ 973,000.00

In order to meet the remaining obligation of \$973,000.00, we will need to cut filled employee positions. Unfortunately, there are no accounts from which we can make further realistic reductions.

Regards,

Robert N. Sharpnack | Chief of Police
City of Costa Mesa | Police Department
Phone 714.754.5117 | Fax 714.754.5002
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