



Office of the Mayor  
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To: Urbana City Council

From: Laurel Prussing

Re: Possible Funding for Additional Police Officers

We estimate the annual cost of each officer to be roughly \$98,000 including beginning wages and start-up costs.

1. Cost this year: hiring five new officers to begin training at the Police Training Institute in April (three months of this fiscal year) **\$122,500.**
2. Cost next fiscal year: (without start-up costs and excluding wage increases) roughly **\$466,285.**

This year we can cover the costs as follows:

1. Shift the remaining social service funding in the General Fund to the Township: \$65,000
2. Use half of the savings on health insurance for calendar 2017: \$60,000
3. Total: **\$125,000**

Next year we could cover the costs as follows:

1. Keep social service funding in the Township: \$65,000
2. Use the second half of the health insurance savings: \$60,000
3. Raise the Hotel-motel tax ½%: \$75,000
4. Raise the packaged liquor tax ½%: \$55,000
5. Raise the fee on 85 video gambling terminals by \$500: \$42,500
6. Total: **\$297,500**

**This leaves \$168,785 remaining to be funded.**

**Here are some possibilities:**

1. One of our fastest growing expenses has been METCAD fees. The law giving Chicago \$3.90 a month per phone (up from \$2.50) and giving the rest of the state 87cents per phone expires July 1 this year. Champaign County voters approved \$1.50 per land line almost 20 years ago. If this had been allowed to increase 3% annually, we would be at \$2.50 by now (Chicago's rate in 2014). I think we should push for a combination of a flat rate tax per phone plus a 1% tax on the total bill.
2. If METCAD got sustainable funding, I estimate we could reduce our payments by \$300,000 per year.
3. If we win the Supreme Court hospital case we will get \$1,400,000 more in property taxes per year.

