Amid Costly Emergency Services and Declining Court Fines, City’s Budget Woes Continue [1]

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Should East Lansing’s Fire Department close its second firehouse—the one on MSU’s campus? and reduce its ambulance corps? Could 54-B District Court find a way to channel more money to the City? Why is the Family Aquatic Center not bringing in as much money as it used to? And what does the City Manager mean when he says we’re going to be seeing “cataclysmic reductions in staff” in the next two years?

These were just some of the questions raised and discussed last Tuesday as East Lansing’s
City Council engaged in one of a series of special budget work sessions to try to deal with the City’s financial woes. Before its regular meeting, Council held this special open meeting with City staff to continue to try to cut expenses and raise revenues, as the City’s overall debt load approaches $200 million.

City Manager George Lahanas told Council that staff have been working to cut back on part-time and full-time positions as much as possible. Staff reductions are happening or will be happening in 54-B District Court (which is managed by the City), the Finance Department, the City Clerk’s office, the Fire Department, and the Police Department.

Special Council meetings about the budget will continue through mid-May, when the Council must adopt the budget for the new fiscal year, according to State law.

A chunk of this past Tuesday’s conversation was spent discussing why the City’s income from Court fines has decreased substantially. There has been, for example, a dramatic reduction in the income that used to come from fines associated with drunk-driving cases.

Various individuals participating in Tuesday’s discussion suggested that the use of ride-share services like Uber and Lyft have reduced drunk driving. This has not only reduced income from drunk driving, but has also reduced income from parking lots downtown. (Everyone agreed less drunk driving is a good thing.)

Asked why court fines are down in general, Judge Andrea Larkin offered several possible explanations. Larkin told Council that crimes that used to be charged, like possession of small amounts of marijuana, are no longer charged. (City residents voted in 2015 to decriminalize possession and transport, a move later effectively supported in a 4-1 vote by City Council.) That means fewer fines coming into the City.

Larkin also pointed to a change in philosophy of enforcement around other issues, as the East Lansing Police Department under Chief Jeff Murphy has emphasized community engagement. City Manager George Lahanas agreed with Larkin, saying that there is more expectation of community engagement and less on enforcement today. Murphy told Council there are more warnings now issued by ELPD and PACE (Parking and Code Enforcement), with fewer fines.

The absence of major civil disturbances has also meant fewer 54B Court cases in recent years, and that again has led to fewer fines. Larkin told Council the lack of success of MSU’s sports teams has made things calmer around here. She also noted that budget cuts have meant fewer officers, and fewer officers means fewer arrests and lower income from fines.

ELPD Chief Murphy agreed with Larkin’s observations. He told Council that getting rid of the motorcycle unit, which happened largely in response to budget problems, led to there being about a thousand fewer traffic tickets for each officer that would have ridden a motorcycle. Lahanas explained that the use of police motorcycles led to unacceptably high potential for injuries that could cost the City significant amounts of money.
Councilmember Shanna Draheim noted that the Michigan Department of Transportation?s (MDOT?s) decision to raise the speed limits on Grand River Avenue and Saginaw Highway led to many fewer speeding tickets being written by ELPD on those roads.

Murphy said his statistical analysis indicates officers are highly productive in terms of workloads, which includes community engagement along with enforcement and such things as dealing with recent accidents and crimes. Statistics indicate there has not been an increase in crime [6] in East Lansing.

Asked by Mayor Mark Meadows (who had run against Larkin for the judgeship she now holds) about current caseloads for 54B District Court, Larkin said it is now about half what it was in 2012. The mayor said this would need to be ?monitored,? in part because the State pays for judges but the income from the court benefits the City, making it an overall money-maker for the City.

Right now the State Supreme Court?s budget formula pays for two judges for 54-B District Court (Chief Judge Larkin and Judge Richard Ball), but that could be reduced to one if the caseload falls farther. Meadows suggested East Lansing?s court could seek to absorb a bigger geographical area to keep the case load high enough to have the State pay for two judges.

Larkin told Council that, following events in Ferguson, Missouri, and the Black Lives Matter movement, judges have become conscious about not trying to raise revenues for municipalities through prosecution. She said that municipalities throughout the state have become ?less aggressive.?

As for fire and ambulance services, City Council continues to discuss the problem of East Lansing?s taxpayers largely absorbing the cost of providing fire and ambulance services to MSU. The State is supposed to reimburse municipalities for the cost of covering nonprofit college campuses for fire and ambulance, but the amount appropriated by the state legislature for this purpose has not fully covered the expected payments.

City Manager Lahanas told Council that staff is looking at whether to ?brown out? one fire station, namely the one on Shaw Lane on the MSU campus, just east of Harrison Road. The East Lansing Fire Department (ELFD) might also reduce how many ambulances and ambulance teams it has on call on average days, relying more on mutual aid agreements.

Asked by Councilmember Erik Altmann about whether this would mean slipping below the level of service expected by the State in terms of response times, ELFD Chief Randy Talifarro said that it is already the case that ?the standard that exists is rarely met,? and that the same was true for many fire departments throughout the state.

Altmann questioned whether the Red Cedar neighborhood would end up with inadequate emergency services if Firehouse #2 were closed. Talifarro answered that closing the second firehouse would ?obviously increase response time? for some locations. Lahanas told Council, ?We?re really at a crossroads here,? with rapid reductions in staffing. He said the City is going to see ?pretty cataclysmic reductions in staff for the next two years.?
Meadows said the State needs to stand up to its financial responsibility of reimbursing East Lansing for providing MSU with emergency services. Altmann said that given that MSU is a billion-dollar operation, it can afford to help East Lansing more to make ends meet. (Altmann is a faculty member at MSU.)

Director of Parks & Recreation Tim McCaffrey explained to Council that the extended public schools calendar, required by the State, is cutting into attendance at the Family Aquatic Center, which means less revenue there. He said the change in the school schedule is also interfering with the Center’s ability to be staffed, since many of those employed are high school students. He said at this point the Center’s season is effectively two to three weeks shorter than it used to be in terms of revenue.

Following recommendations by the Financial Health Team, Council is expected to consider a possible City income tax and raising property taxes. Council recently voted to charge East Lansing residents who get their electrical service from BWL a five-percent “franchise fee” surcharge on their monthly bills. This is expected to net the City over a million dollars a year in extra income and did not require a direct vote of citizens to accomplish, the way many revenue-increasing options (like an income tax) would.

Citizens working on the “vote yes” campaign for the school bond on the ballot May 2 have said that voters have been indicating that they’re thinking about the City’s money problems as they consider how to vote on the school bond. Although he cannot vote in the election because he lives outside the East Lansing Schools District boundaries, Mayor Meadows serves as Treasurer for the “yes” campaign and has previously said he thinks it is important the schools “go first” at the ballot box in terms of possible property tax increases.

You can view the 2018 budget document by clicking here, and see the agenda for this week’s special budget work session of Council by clicking here. You can communicate with Council at the public comments section of its meetings or by writing to Council via email.

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