



Department of Administration
Budget and Management Division

John O. Norquist
Mayor

Michael J. Soika
Director

Joseph J. Czarnetzki
Budget and Management Director

December 16, 2003

Ref: 03042

Alderman Fredrick G. Gordon, Chair
Finance and Personnel Committee
City Hall, Room 205

Subject: Police Department Overtime and Salaries – Pay Period 25 Update

Dear Alderman Gordon:

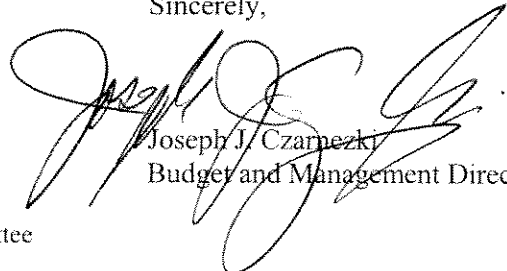
As of Pay Period 25 (December 18, 2003 check date), the Milwaukee Police Department (MPD) O&M overtime has totaled over \$15.9 million, or about \$650,000 per pay period adjusted for the Milwaukee Police Association (MPA) settlement. Recently, the Chief eliminated the Violent Crime Task Force, significantly reducing the MPD's overtime expenditures. Using the reduced overtime expenditures, it is estimated that the MPD will spend \$16.3 - \$16.4 million on overtime for 2003. This amount is approximately \$6.5 million more than the adjusted \$9.8 million overtime budget.

The MPA settlement adjusted salary budget for the Milwaukee Police Department is \$128.7 million for 2003. It is estimated that the MPD will spend \$136.9 million in salaries for 2003, or approximately \$8.2 million more than budgeted. This amount may change by an unknown amount due to payroll adjustments and retirement payouts before the end of 2003.

A final shortfall amount will be determined after the city's fiscal year ends, all payroll adjustments are made, budgeted funds are transferred from the Wages Supplement Fund for the MPA settlement, and any remaining MPD funds from other operating accounts are transferred. This final shortfall will most likely be addressed through contingent borrowing.

If you have further questions on this matter, please feel free to contact David Schroeder of my staff at extension 8524.

Sincerely,



Joseph J. Czarnetzki
Budget and Management Director

DS:dmr

cc. Finance and Personnel Committee
Fire & Police Commission
Mayor's Office
Police Chief Nannette Hegerty