

July 25, 2006

Ref: 06017

Alderman Michael Murphy, Chair
 Finance and Personnel Committee
 City Hall, Room 205

Subject: 2006 Police Department Overtime

Dear Alderman Murphy:

This communication reports Milwaukee Police Department (MPD) overtime expenditures in accordance with Common Council File 021045. The following data are for pay periods 1 through 14 of 2006, along with comparison data from 2005.

Overtime Budgets and Expenditures

The Milwaukee Police Department has expended \$9.0 million in total 2006 overtime through pay period fourteen (see Figure 1) with \$7.9 million of that supported directly by the tax levy (O&M). Taking into account variations in expenditures per pay period due to high impacting circumstances, an accurate projection for the total amount of overtime that will be expended in 2006 is difficult to achieve. However, using available data, it is projected that for 2006 the MPD will expend \$16.0 to \$18.0 million in total overtime with \$13.5 to \$15.5 million of that supported by the tax levy.

Figure 1

Milwaukee Police Department Overtime Expenditures				
PP	Check Date	All Overtime		O&M Funded OT
		Total	Total	Total
1	1/26/2006	\$561,618		\$527,376
2	2/9/2006	389,137		362,306
3	2/23/2006	532,487		498,478
4	3/9/2006	511,852		473,665
5	3/23/2006	542,842		504,927
6	4/6/2006	585,157		541,412
7	4/20/2006	650,127		569,320
8	5/4/2006	677,582		622,710
9	5/18/2006	633,926		562,005
10	6/1/2006	636,529		539,762
11	6/15/2006	738,954		675,388
12	6/29/2006	751,792		648,324
13	7/13/2006	806,052		682,653
14	7/27/2006	978,759		684,844
Grand Total		\$8,996,812		\$7,893,170

PP	Check Date	All Overtime		O&M Funded OT
		Total	Total	Total
1	1/13/2005	\$411,202		\$375,604
2	1/27/2005	371,201		351,560
3	2/10/2005	498,689		472,746
4	2/24/2005	506,592		473,878
5	3/10/2005	525,134		498,744
6	3/24/2005	552,802		525,883
7	4/7/2005	528,677		501,076
8	4/21/2005	540,162		495,757
9	5/5/2005	600,300		510,490
10	5/19/2005	629,001		508,949
11	6/2/2005	584,873		506,219
12	6/16/2005	392,133		319,606
13	6/30/2005	590,629		495,437
14	7/14/2005	691,552		503,808
Grand Total		\$7,422,949		\$6,539,758

2006 Budget	\$9,677,805	2005 Budget	\$9,725,000
City Match to State Funds	750,000	Budget Average	\$374,038
Total Available Funds	\$10,427,805	Actual Average	\$467,126
Pay Period Average With Total Avail. Funds	\$401,069		
Actual Average	\$563,798		

There have been numerous actions that have impacted overtime expenditures, available overtime funds, and the ability to compare prior years' data.

1. The 2006 overtime budget is slightly less than the 2005 budget (see Figure 1). This is due to funds that moved through Common Council budget amendments to fund a position in the Fire and Police Commission and the Community Services Staffing Special Purpose Account (SPA). The Community Services Staffing SPA funding (\$1.5 million) is footnoted so that funds could be "expended for public safety related purposes or overtime with Common Council approval".
 - Common Council Resolution 060222 passed on July 12, 2006, appropriated \$750,000 of the \$1.5 million from the SPA to the MPD for overtime. This represented the necessary "match" to secure \$750,000 from the State of Wisconsin Office of Justice Assistance.
 - This resolution also appropriated the remaining \$750,000 from the SPA to the MPD for costs associated with increasing the number of Police Officer recruits by 40 in 2006.
2. It is not possible to directly compare 2005 expenditures to 2006 expenditures since Milwaukee Police Association (MPA) was at 2003 and 2005 rates of pay in 2005. The MPA contract settlement did not take effect until period 10 of 2005. All 2006 MPA overtime is at 2006 rates of pay.
3. Funds that have been made available from the state will not be represented on the o&m side of expenditures since they were received and will be administered as a grant. These funds (total of \$950,000) will be represented under "All Overtime" for expenditure and hour tables.
4. Other specific factors impacting o&m (tax levy) supported overtime:
 - Pay Period 2 - reduced overtime, presumably because of retros paid, MPD personnel claim compensatory overtime instead of paid overtime to reduce tax liability.
 - Pay Periods 7 and 8 - increased overtime, presumably from such cases as the search for Purvis Virginia Parker and Quadrevion Henning, the Frank Jude Jr. trial, and "A Day Without Latinos" march on March 23.
 - Pay Periods 13 and 14 - Summerfest and Fourth of July holiday increased the use for non-grant compensated overtime.

Figure 2

Milwaukee Police Department All Overtime Hours											
PP	Check Date	All Overtime		O&M Funded OT		PP	Check Date	All Overtime		O&M Funded OT	
		Hours	Hours	Hours	Hours			Hours	Hours	Hours	Hours
1	1/26/2006	13,880	13,086	1	1/13/2005	11,718	10,788	2	1/27/2005	10,032	9,549
2	2/9/2006	9,817	9,200	2	2/10/2005	13,239	12,607	3	2/24/2005	13,138	12,344
3	2/23/2006	12,911	12,126	3	3/10/2005	13,642	13,002	4	3/24/2005	14,493	13,847
4	3/9/2006	12,348	11,467	4	4/7/2005	14,113	13,443	5	4/21/2005	14,253	13,146
5	3/23/2006	13,038	12,154	5	5/5/2005	15,765	13,444	6	5/19/2005	15,595	12,653
6	4/6/2006	14,126	13,136	6	6/2/2005	14,762	12,866	7	6/16/2005	10,285	8,515
7	4/20/2006	15,631	13,738	7	6/30/2005	15,075	12,735	8	7/14/2005	17,579	12,917
8	5/4/2006	16,848	15,566	9				9			
9	5/18/2006	15,427	13,726	10				10			
10	6/1/2006	15,487	13,217	11				11			
11	6/15/2006	18,319	16,812	12				12			
12	6/29/2006	18,605	16,138	13				13			
13	7/13/2006	19,930	16,939	14				14			
14	7/27/2006	24,382	17,244								
Grand Total		220,746	194,548	Grand Total		193,689	171,854				

Overtime Hours

Since it is problematic to only compare expenditures, overtime hours are also provided (see Figure 2). As Figure 2 depicts, overtime hours have varied greatly over the past fourteen pay periods, with a significant increase occurring since pay period 11. For comparison, the MPD has utilized more than 27,000 additional overtime hours compared to this time last year, an increase of 14.0%. Comparing just the o&m supported overtime, the increase has been over 22,000 hours, or 13.2%. Again, the additional state funds will be represented in the “All Overtime Hours” column with other grant supported overtime.

To assist the Committee in seeing how the overtime has been utilized by the MPD, overtime hours by type is provided (see Figure 3). There have been no significant a change to utilization except for the Paid Extension of Duty now represents 80.0% of all overtime, a 3.0% increase from previous reports. This would be expected since the grant funded overtime is for patrol and investigative purposes.

Figure 3

Milwaukee Police Department All Overtime Hours By Type								
PP	Check Date	Paid Straight Time OT,	FLSA OT, Uniform	OT at 1.5 + \$0.25 -	Paid Extension of Duty	OT at 1.5 +	OT at 1.75,	TOTAL
		Paid Court Overtime	Fitting, Replacement FLSA OT	Civilians oert 12 hrs/day		\$0.45 Holiday	Civilian Only	
1	1/26/2006	2,114.4	304.1	10,860.4	2.0	599.1		13,880.0
2	2/9/2006	1,542.2	492.1	7,109.4	6.5	651.0	15.6	9,816.8
3	2/23/2006	2,544.1	472.2	9,890.6	4.0			12,910.9
4	3/9/2006	2,494.4	441.3	9,411.8				12,347.5
5	3/23/2006	2,606.4	452.7	9,963.9	7.0		7.6	13,037.6
6	4/6/2006	2,304.2	548.4	11,259.1	14.0			14,125.7
7	4/20/2006	2,569.5	449.6	12,611.6				15,630.7
8	5/4/2006	1,973.1	862.8	13,444.2	11.5	556.4		16,848.0
9	5/18/2006	2,358.4	697.1	12,362.7	8.4			15,426.6
10	6/1/2006	2,107.5	696.6	12,661.6	21.3			15,487.0
11	6/15/2006	2,629.0	872.7	14,351.0	4.0	461.9		18,318.6
12	6/29/2006	2,200.9	1,129.7	15,245.8	29.0			18,605.4
13	7/13/2006	2,324.3	947.3	16,610.6	46.0	1.4		19,929.6
14	7/27/2006	1,922.7	1,086.6	20,910.5	21.8	440.4		24,382.0
Grand Total		31,691.1	9,453.2	176,693.2	175.5	2,710.2	23.2	220,746.4

Total Salary Expenditures

With so many driving factors impacting overtime, it is important to discuss the overall condition of the MPD’s salary account. In addition to \$950,000 state funding for overtime, \$750,000 city match for state funds, and increased o&m funded overtime expenditures, we must also take into account \$750,000 for additional recruits, smaller than expected November 2005 and May 2006 recruit classes, and a change to the recruiting schedule. The 2006 budget anticipated May and November classes with a total of about 130 recruits. This has now changed to a May, September, and November or December class schedule that will produce more than originally anticipated recruits.

The adjusted total 2006 salary budget for the MPD is \$146.5 million (includes all funding transferred in Common Council Resolution 060222). Through Pay Period 13, the MPD has expended approximately \$75.5 million, which includes all previously mentioned o&m funded overtime. Early projections estimate that the MPD will spend \$147.4 to \$148.1 million in total salaries, or approximately \$900,000 to \$1.6 million more than available funds.

July 25, 2006

The MPD's salary account may need additional funding from the Common Council Contingent Fund when the city closes its books in early 2007. The Finance and Personnel Committee will be kept apprised of the situation when the MPD, Budget Office, and Comptroller close the 2006 books and consider fund transfers and carryovers.

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

Sincerely,

Mark Nicolini
Budget and Management Director

David Schroeder
Fiscal Planning Specialist Senior

DS:dmr

Cc: Finance and Personnel Committee
Fire and Police Commission
Mayor's Office
Chief Nannette Hegerty