



Department of Administration
Budget and Management Division

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July 7, 2003

Ref: 03042

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

Subject: Police Department Overtime and Salaries – Pay Period 13 Update

Dear Alderman Gordon:

Per previous requests by the Finance and Personnel Committee, this letter contains an update of Milwaukee Police Department's overtime, Violent Crime Task Force, and overall salaries through pay period 13 (July 3, 2003).

Overtime

As of pay period 13, the Police Department overtime has totaled \$8.5 million, or \$650,000 per pay period (adjusted for the Milwaukee Police Association (MPA) settlement).

Using the per pay period average of \$650,000, the department could spend over \$16.9 million on overtime for 2003, or \$7.1 million over its MPA settlement adjusted \$9.8 million budget.

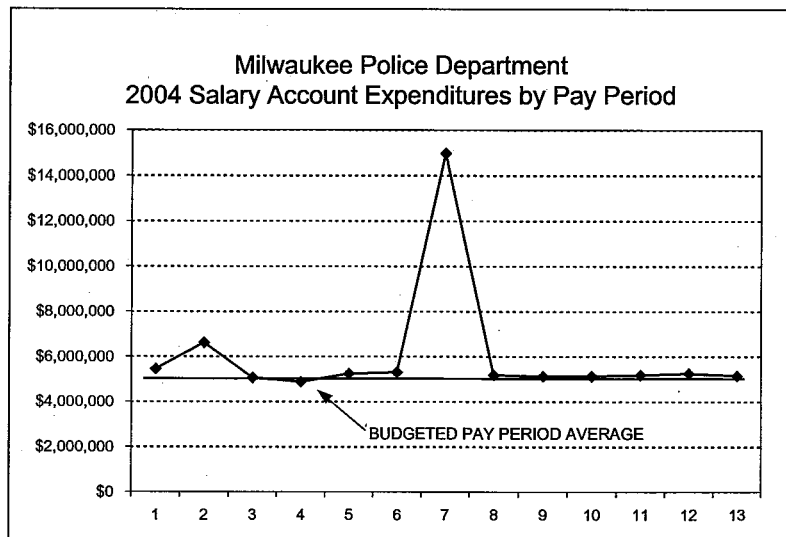
Violent Crime Task Force

Since pay period 2, the Violent Crime Task Force has expended \$3.2 million in overtime and accumulated \$1.0 million in compensatory time, for a total liability of \$4.2 million. If the department continues implementation of the task force at its current pay period average, the Violent Crime Task Force could spend \$6.0 million in overtime and accumulate \$1.9 million in compensatory time in 2003.

Salaries

The MPA settlement adjusted salary budget for the Milwaukee Police Department is \$128.7 million for 2003. This amounts to a per pay period average of more than \$4.9 million. The

Figure 1



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department's actual average is \$5.2 million or approximately \$250,000 more than budgeted. The Police Department could spend \$138 million in salaries for 2003 or approximately \$9.2 million more than budgeted.

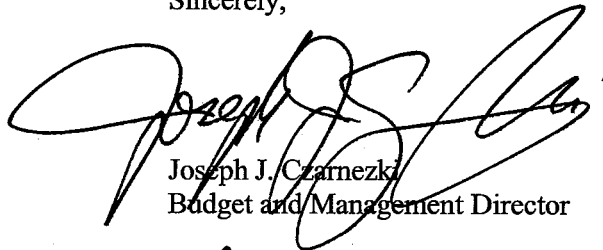
Summary

This shortfall means that the department will not have sufficient funds to cover payroll for pay periods 25 and 26 (November 23 through December 20, 2004). The Common Council and the Administration must decide how to cover this impending shortfall before these funds are depleted. This account cannot go negative by the estimated shortfall of \$9.2 million.

While the 2003 adopted budget scheduled two recruit classes and reserved \$500,000 in the Common Council Contingent Fund for a possible third class, it did not budget for the estimated \$16.9 million the Police Department will spend. This amount of overtime has more than spent the budgeted funds for **all** Police Officer recruit classes in 2003. Overtime, recruit classes, and salaries are all budgeted and funded through the same salary account.

We will continue to provide the Committee with periodic overtime and salary updates. In the meantime, if you have further questions on this matter, please feel free to contact David Schroeder of my staff at extension 8524.

Sincerely,



Joseph J. Czarnecki
Budget and Management Director



David Schroeder
Budget and Management Special Assistant

DS:dmr

cc. Finance and Personnel Committee
Fire & Police Commission
Mayor's Office
Police Chief Arthur Jones
City Attorney Grant Langley