



Department of Administration
Budget and Management Division

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May 2, 2003

Ref: 03042

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

Subject: Police Department Overtime and Salaries

Dear Alderman Gordon:

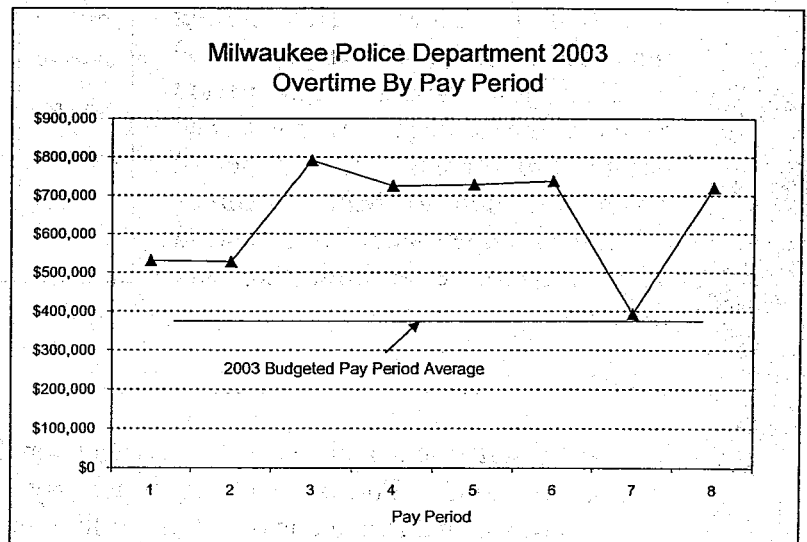
As previously requested by the Finance and Personnel Committee, following is an update of Milwaukee Police Department's overtime, Violent Crime Task Force, compensatory time, and overall salaries through pay period eight (April 24, 2003). Attached is a spreadsheet with additional detail.

Overtime

As of pay period eight, the Police Department (adjusted for the Milwaukee Police Association MPA settlement) overtime has totaled almost \$5.2 million, or approximately \$644,000 per pay period. There was a significant drop in paid overtime for pay period seven due to MPA members choosing time off (compensatory time) instead of pay. This was to limit their tax liability since MPA members were receiving their retroactive cost of living adjustment payment, per the labor agreement, in pay period seven.

Using the \$644,000 per pay period average, the department could spend over \$16.7 million on overtime for 2003, or \$6.9 million over its MPA settlement adjusted \$9.8 million budget. This total could increase to \$18.1 million if the department were to continue to spend \$720,000 per pay period, as in pay period eight.

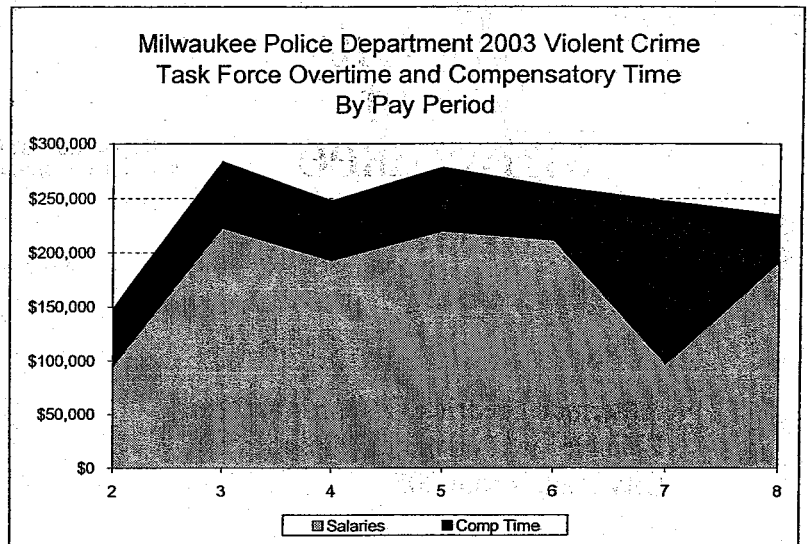
Figure 1



Violent Crime Task Force

Since its implementation in pay period two, the Violent Crime Task Force has expended over \$1.2 million in overtime and accumulated over \$470,000 in compensatory time, for a total of more than \$1.7 million. If the department continues implementation of the task force at its current pay period average, the Violent Crime Task Force could spend \$4.4 million in overtime and accumulate \$1.7 million in compensatory time in 2003.

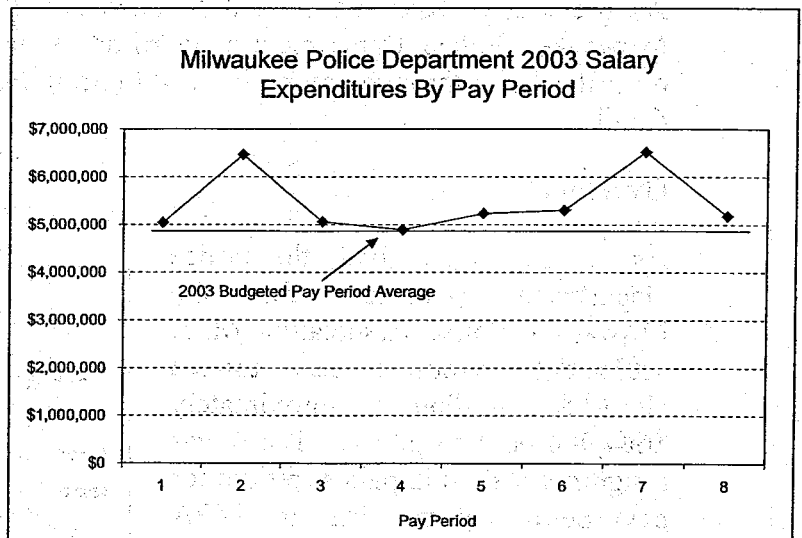
Figure 2



Compensatory Time

The increase in overtime, whether it is associated with the Violent Crime Task Force or not, may have an impact on the amount of compensatory time earned. The average amount of compensatory time earned per pay period has increased from \$226,000 in 2001, to \$260,000 in 2002. This further increased to \$342,000 per pay period in 2003, not including pay period seven in the average. As mentioned before, the increase in pay period seven was due to MPA members selecting compensatory time instead of paid overtime to limit their tax liability.

Figure 3



Salaries

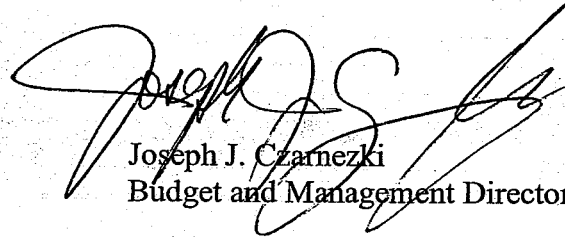
The MPA settlement adjusted salary budget for the Milwaukee Police Department is over \$128.7 million for 2003. This amounts to a per pay period average of more than \$4.9 million. The department's actual average is over \$5.3 million or \$370,000 more than budgeted. Taking the current amount of salaries paid out and utilizing the adjusted average per pay period, the Police Department is on track to spend more than \$139 million in salaries for 2003 or approximately \$10.7 million more than budgeted.

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These projections are only based on data available through pay period eight. Final shortfalls will ultimately be determined by vacancy rates and the use of overtime. The city must start to plan on how to pay for any projected shortfall, as there are insufficient funds available in the Common Council Contingency Fund, to cover a liability of this size.

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. Czarnetzki
Budget and Management Director



David Schroeder
Budget and Management Special Assistant

Attachment
DS:dmr

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

MPD Overtime, Salaries, and Compensatory Time at PP 8, 2003

**Overtime Adjusted for MPA
Settlement (includes VCTF)**

Violent Crime Task Force Overtime

Sum of Sum Pay Amt		Total	Total
PP	Check Date		
1	2003-01-16	530,986.89	
2	2003-01-30	527,373.03	94,197.05
3	2003-02-13	791,366.69	222,928.56
4	2003-02-27	725,067.41	192,744.74
5	2003-03-13	728,259.36	219,840.30
6	2003-03-27	737,361.20	211,574.99
7	2003-04-10	392,469.63	96,818.86
8	2003-04-24	720,297.74	190,912.43
Grand Total		5,153,181.95	1,229,016.93

2003 Budget (Adjusted for MPA Settlement)	9,840,171.43	
Budget PP Average	378,468.13	
Actual PP Average	644,147.74	175,573.85
PP Average Difference	265,679.61	
2003 Projection	16,747,841.34	4,389,346.18
Projection vs. Budget	6,907,669.91	

All MPD Salaries

Sum of Sum Pay Amt		Total
PP	Check Date	
1	2003-01-16	5,040,131.42
2	2003-01-30	6,468,345.32
3	2003-02-13	5,060,895.36
4	2003-02-27	4,892,518.61
5	2003-03-13	5,235,983.40
6	2003-03-27	5,304,476.19
7	2003-04-10	6,520,878.86
8	2003-04-24	5,182,640.30
Grand Total		43,705,869.46

2003 Budget (Adjusted for MPA Settlement)	128,729,816.00
Budget PP Average	4,951,146.77
PP 1, 3-8 Average	5,319,646.31
PP Average Difference	368,499.54
2003 Projection	139,459,502.96
Projection vs. Budget	10,729,686.96

All Compensatory Time (includes VCTF)

VCTF Compensatory Time

Sum of Sum Pay Amt		Total	Total
PP	Check Date		
1	2003-01-16	280,258.68	
2	2003-01-30	410,281.78	53,757.28
3	2003-02-13	376,543.05	60,838.93
4	2003-02-27	320,623.05	55,301.83
5	2003-03-13	342,240.71	58,483.71
6	2003-03-27	338,907.86	49,376.99
7	2003-04-10	673,009.76	150,934.63
8	2003-04-24	323,732.00	44,519.77
Grand Total		3,065,596.89	473,213.14

Pay Period Average	383,199.61	67,601.88
Pay Period Average (excluding PP 7)	341,798.16	53,713.09