

Reply to Common Council File No. 130719
From DOA-Budget and Management Division

October 29, 2013

Ref: 13007


Common Council File 130719 contains a resolution requesting up to \$425,000 from the 2013 Common Council Contingent Fund for expenditures related to testing expenses for new hiring and promotional exams for the Fire Department and Police Department.

Development of the 2013 operating budget for the Fire and Police Commission occurred in an environment of uncertainty regarding anticipated test development and promotional activity. The Proposed Executive Budget for the Commission provided an increase of \$24,248 to operating expense accounts, relative to 2012, a change of +19.1%. Despite this significant increase, the proposed budget increase remained \$104,642 less than the Commission's 2013 request for its non-fringe benefit accounts. The Executive Budget reflected uncertainty regarding the extent to which promotional exams would occur during 2013, as well as the actual cost of various examination components. In addition, several developments occurring after submittal of the 2013 proposed budget are generating unbudgeted costs for the Fire and Police Commission.

The Contingent Fund request is attributable to five primary causes:

- Projected 2013 expenses associated with scheduling a class of 50 Police Officers for early 2014, which was not expected as a part of 2013 budget development. These expenses are estimated as \$85,000.
- An amendment was included in the 2013 adopted budget to increase the size of the Fire Cadet class from 12 to 26 with no additional funding for the Fire and Police Commission to administer the examination. The cost of the increased class size was \$16,000.
- Higher than anticipated costs associated with raters for promotional exams. These expenses are estimated to be approximately \$82,000.
- Higher than projected costs for pre-employment testing, particularly a 25% increase to the cost of psychological testing. These expenses are expected to be \$48,000.
- A greater level of activity and associated costs for examination development and testing than what was contemplated by either the Commission's 2013 budget request or the adopted 2013 budget. These costs may be as much as \$194,000 above the 2013 adopted budget level.

RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER 130719



Bill Christianson
Budget and Management Special Assistant

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