

REPORT: Police Overtime for 2013 and 1st Quarter of 2014

FROM: Michael C. Koval, Chief of Police

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TO THE MAYOR AND COMMON COUNCIL:

In response to the request of the Common Council for reports regarding the status of overtime expenditures, the Police Department has developed the following information to explain overtime trends and information from 2013 and the first quarter of 2014.

The total 2013 budgeted expense for the Madison Police Department was \$65,354,943. Wages and benefits accounted for \$52,902,761 or 85% of budgeted expenditures. In all, more than 91% of budgeted expenditures were determined by labor contracts, other City agency costs, or additional mandates from outside of the Police Department.

Although overtime is considered a variable expense, in the past five years overtime hours required by contract (such as briefing time, holiday day in future, etc.) accounted for almost 62% of the overtime hours earned. These expenses have been negotiated in various labor contracts that were approved by the Mayor and Common Council and are required to be paid. Although Police management staff reviews overtime quarterly, they have little or no discretion in allowing contractual overtime.

REPORT OF 2013 OVERTIME:

The total cost of overtime for the Madison Police Department (MPD) in 2013 was \$2,334,852, which is \$75,969 under the 2013 budget of \$2,410,821. The total cost of overtime in 2013 compares with the \$2,367,346 expended in 2012, \$2,687,008 2011, \$2,161,406 in 2010, and \$2,289,459 in 2009. **(Refer to Appendix A)**

In 2013, the overtime hours earned totaled 101,900, which is a decrease of almost 3% over the 104,553 hours earned in 2012 and is the least number of hours of overtime earned since 2008. These two years compare with the 113,571 hours in 2011, 106,285 hours in 2010 and 103,760 hours in 2009. **(Refer to Appendix B)**

The pay-to-time ratio has a significant impact on the cost of overtime as officers choose whether or not to take overtime as pay or as time. Increases in the pay-to-time ratio in 2011 resulted in higher costs than prior years, when officers “banked” more of their hours. **(Refer to Appendix C)** Maintaining lower overtime costs will be contingent upon the continuation of a low pay-to-time ratio, which per contract is at the discretion of the employee.

Police overtime is divided into Contractually-Driven, Demand-Driven and Civilian overtime. The comparative breakdown of Contractually-Driven overtime hours is:

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Briefing Time	29,186	29,767	29,886	30,492	29,493
Legal Appearance	5,016	4,788	4,740	4,006	4,596
Holiday Day In Future	22,074	22,751	24,488	26,018	23,235
Convert to Pay	7,587	7,622	7,292	7,394	7,507
TOTAL	63,863	64,928	66,406	67,910	64,831

The decrease in Contractually-Driven overtime is primarily related to the change in the start date of the Preservice Academy, which resulted in a decrease in staff, and a drop in both Briefing Time and Holiday Time.

The comparative breakdown of Demand-Driven overtime hours is:

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Routine	12,372	11,720	14,570	14,465	14,516
Extraordinary Event	8,479	9,359	18,881	8,924	7,900
Planned Event	6,402	7,754	6,862	5,985	6,723
Problem Initiative	3,252	4,626	2,131	2,785	1,889
Peak Staffing – Central	2,315				
Holdover	2,216	2,579	2,451	2,346	3,524
Meetings	285	358	379	760	904
TOTAL	35,321	36,396	45,274	35,265	35,456

In general, as staff decreases Demand-Driven overtime also decreases as fewer officers are available to respond to calls. In addition, although there were several Extraordinary Events in 2013, the overall hours in this category dropped when compared to the presidential visits in 2012 and the protests at the capitol in 2011, which both drove significant overtime. The significant decrease in Planned Event overtime was primarily due to the successful change in the Spring Block Party, as well as reductions in overtime for both Rhythm & Booms and Freakfest.

Both Routine and Holdover overtime remained comparatively low when compared to the previous four years, in spite of staffing issues at the end of the year. This is a direct result of the ongoing initiative implemented by police managers in 2012.

Finally, Civilian overtime decreased by 16% from 2012 to 2013, as the implementation of the Records Management System was completed and vacated positions were filled. Civilian overtime totaled 2,716 hours in 2013, as compared with 3,230 hours in 2012, 1,891 hours in 2011, 3,110 hours in 2010, and 3,472 hours in 2009.

Summary of 2013 Overtime:

- Both the cost of overtime and the total overtime hours decreased from 2012 to 2013.
- The pay-to-time ratio decreased in 2013, as officers reduced the amount of overtime taken as pay.
- Contractual overtime decreased due primarily to the change in the start of the Preservice Academy.
- Demand Driven overtime decreased due to changes in Planned Events, the lack of high cost Extraordinary Events such as presidential visits and capitol protests, and ongoing efforts to reduce Routine and Holdover overtime.

REPORT OF 1st QUARTER 2014 OVERTIME:

In the first quarter of 2014, the number of hours of overtime earned decreased by almost 15% when compared with 2013, and was the lowest first quarter since 2005. The year-to-date hours for 2014 are 18,383 as compared to 21,541 in 2013, 22,980 in 2012, 31,489 in 2011, and 22,315 in 2010. **(Refer to Appendix D)**

A comparative breakdown of Demand-Driven overtime hours is:

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Routine	2,627	2,680	3,035	2,939	3,485
Extraordinary Event	1,081	2,235	2,098	12,177	1,694
Planned Event	0	0	2	18	32
Problem Initiative	62	26	187	42	196
Peak Staffing – Central	102	27			
Holdover	413	499	446	564	475
Meetings	101	82	83	104	223
TOTAL	4,386	5,549	5,851	15,844	6,105

The primary reason Demand Driven overtime decreased from 2013 to 2014 was due to the decrease in overtime hours related to Extraordinary Events.

Routine overtime continued at an extremely low rate and is a specific result of efforts by police supervisors to continue initiatives implemented in 2012 to reduce overtime. Holdover also continued low due to implementation of a contingency staffing plan, designed to reassign officers from non-patrol positions into patrol. Although these efforts are highly effective in the short-term, in the long-term this would create significant concerns since CPT officers, Neighborhood officers, TEST officers and Gang officers have a critical role in implementing problem-solving efforts designed to reduce crime.

A comparative breakdown of Contractually-Driven overtime hours is:

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Briefing Time	7,221	7,467	7,808	7,820	7,852
Legal Appearance	1,076	955	1,259	1,224	1,015
Holiday Day In Future	3,984	4,797	6,452	4,523	4,295
Convert to Pay	1,305	1,594	1,167	1,476	1,836
TOTAL	13,586	14,813	16,686	15,043	14,998

The decrease in Contractually-Driven overtime is due to the cycle of holidays at the beginning of the year.

Finally, Civilian overtime hours decreased dramatically during the 1st quarter of 2014 when compared with 1st quarter 2013. The prior year overtime was driven by the implementation of a new Records Management System. Without this type of project, civilian overtime returned to the lower levels that are achieved when staffing levels are maintained. The total hours in the 1st quarter of 2014 were 413, as compared to 1,179 in 2013, 443 in 2012, 602 in 2011, and 1,212 in 2010.

PROJECTED COSTS FOR 2014:

As always, it is difficult this early in the year to make accurate projections in regards to overtime costs. As of the end of Payroll #7, the total overtime expenditure was \$348,179. Overtime costs are low not only due to the decrease in overtime hours earned, but also because the pay-to-time ratio dropped significantly in the first quarter, as more officers elected to take their hours as comp time rather than pay. If overtime expenditures continue at this rate, the Department will end the year under budget. However, if officers begin to take more overtime as pay, or if always unpredictable significant events occur, overtime costs will increase.