

**REPORT:** Police Overtime for 2010 and 1<sup>st</sup> Quarter of 2011

**FROM:** Noble Wray, 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 2010 and the first quarter of 2011.

The total 2010 budgeted expense for the Madison Police Department was \$60,048,535. Wages and benefits accounted for \$50,740,244 or 84% of budgeted expenditures. In all, at least 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 three years overtime hours required by contract (such as briefing time, holiday day in future, etc.) accounted for 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 2010 OVERTIME:

The total cost of overtime for the Madison Police Department (MPD) in 2010 was \$2,161,406, which is \$20,532 under the 2010 budget of \$2,181,938. The cost of overtime represents a 5.6% decrease, or \$128,053 less than the \$2,289,459 expended in 2009. **(For a comparison of overtime expenses, refer to Appendix A)**

In 2010, the hours earned totaled 106,285, which is an increase of 2.4% over the 103,760 hours earned in 2009. These two years compare with the 99,670 hours in 2008, 100,620 hours in 2007, and 99,024 hours in 2006 **(Refer to Appendix B)**

As highlighted in overtime reports throughout the year, the pay-to-time ratio remained extremely low during 2010, resulting in lower costs than might have been anticipated had officers taken more of their time as pay. **(Refer to Appendix C)** Maintaining lower overtime costs will be contingent upon 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>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Briefing Time	30,492	29,493	28,361	26,108	25,883
Legal Appearance	4,006	4,596	4,532	4,697	4,820
Holiday Day In Future	26,018	23,235	21,510	20,490	19,886
Convert to Pay	7,394	7,507	6,461	8,048	7,144
<b>TOTAL</b>	<b>67,910</b>	<b>64,831</b>	<b>60,865</b>	<b>59,343</b>	<b>57,733</b>

Contractual overtime rose primarily due to the fact that several holidays occurred on dates that were scheduled days off for many employees. This led to an increase in Holiday Day In Future hours earned, which is a pattern that will continue in 2011.

The comparative breakdown of Demand-Driven overtime hours is:

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Routine	14,465	14,516	15,332	15,718	15,902
Extraordinary Event	8,924	7,900	8,550	8,743	7,917

Planned Event	5,985	6,723	5,852	4,493	7,177
Problem Initiative	2,785	1,889	1,371	3,435	0
Holdover	2,346	3,524	2,478	5,976	5,140
Meetings	760	904	583	807	967
<b>TOTAL</b>	<b>35,265</b>	<b>35,456</b>	<b>34,166</b>	<b>39,172</b>	<b>37,103</b>

Routine and Holdover overtime hours continued to trend lower than the average for the previous five years. If not for the visits of President Obama and Vice-President Biden, Extraordinary Event overtime would have substantially decreased. The 2,960 hours of overtime related to these two visits significantly increased the overall Demand-Driven time.

Finally, Civilian overtime continued at a fairly low rate. Civilian overtime totaled 3,110 hours in 2010, as compared with 3,472 hours in 2009, 4,640 in 2008, 2,105 hours in 2007, and 4,188 hours in 2006.

It's also important to note that after considerable effort on the part of MPD command staff, the Department received authorization for reimbursement from the ATF for significant costs related to several investigations of gun-related violent crimes. This resulted in revenue of \$62,025 which offset the overtime expenditures in 2010. In addition, Metro Transit reimbursed the Police Department \$43,518 for Problem Initiative overtime hours worked at the various transfer points.

**Summary of 2010 Overtime:**

- The cost of overtime decreased in 2010, while the hours increased.
- The continuation of the low pay-to-time ratio as officers opt to “bank” overtime to be used as time off, rather than taking it as pay resulted in maintaining lower costs for overtime
- Increases in contractual overtime related primarily to the cycle of holiday time earned and the number of holidays that fell on weekend dates when many employees were scheduled off.
- Increases in demand-driven overtime were primarily due to increased hours in the Extraordinary Event category related to the visits by President Obama and Vice-President Biden.
- Overtime expenditures were offset by a federal reimbursement of \$62,025 for overtime related to investigations of gun-related violent crimes, and by a Metro reimbursement of \$43,518 for the highly successful transfer point initiative.

**REPORT OF 1<sup>st</sup> QUARTER 2011 OVERTIME:**

The first quarter of 2011 saw a 41% increase in the number of hours of overtime earned. Obviously, the ongoing protests at the State Capitol were the most significant driver of 1<sup>st</sup> quarter overtime. The year-to-date hours for 2011 are 31,489 as compared to 22,315 in 2010, 18,618 in 2009, 21,347 in 2008, and 21,097 in 2007. **(Refer to Appendix D)**

Since 2008 the pay-to-time ratio has been maintained at an historic low. This trend changed during the first quarter of 2011, as officers elected to take a greater percentage of their time as pay than in previous years. This seems to be due to the substantial increase in hours earned at the protests. With a greater volume of hours earned, at a time when there are significant pay concerns and less opportunity to take time off, more officers appear to have elected to take overtime as pay rather than comp.

The cost of first quarter overtime was \$721,358, which is a 72% increase over the same quarter in 2010. The actual cost compares to \$418,360 for 1<sup>st</sup> quarter 2010, \$339,832 for 2009, \$418,638 for 2008 and \$432,096 for 2007.

A comparative breakdown of Contractually-Driven overtime hours is:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Briefing Time	7,820	7,852	6,823	6,329	6,240
Legal Appearance	1,224	1,015	838	999	1,072
Holiday Day In Future	4,523	4,295	4,169	4,579	5,877
Convert to Pay	1,476	1,836	1,529	1,193	1,288
<b>TOTAL</b>	<b>15,043</b>	<b>14,998</b>	<b>13,359</b>	<b>13,100</b>	<b>14,477</b>

There was little difference between the Contractually-Driven overtime earned in 2011 and the hours earned in 2010.

As previously explained, the dramatic increase in Demand-Driven overtime hours drove the overall increase in 1<sup>st</sup> quarter overtime in 2011. A comparative breakdown of Demand-Driven overtime hours is:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Routine	2,939	3,485	3,055	4,154	3,565
Extraordinary Event	12,177	1,694	796	2,047	1,227
Planned Event	18	32	1	3	0
Problem Initiative	42	196	43	23	80
Holdover	564	475	428	689	1,034
Meetings	104	223	185	121	209
<b>TOTAL</b>	<b>15,844</b>	<b>6,105</b>	<b>4,508</b>	<b>7,037</b>	<b>6,115</b>

Both Holdover and Routine overtime continued to track fairly low when compared to previous years. This appears to be due to the positive impact of the implementation of the 5-shift plan. However, these decreases were eclipsed by the significant number of overtime hours required to police the numerous protests at the State Capitol.

Finally, Civilian overtime hours also decreased during the 1<sup>st</sup> quarter of 2011, and are at the lowest level since 2007. The total hours in the 1<sup>st</sup> quarter of 2011 were 602, as compared to 1,212 in 2010, 751 in 2009, 1,211 in 2008, and 505 hours in 2007.

PROJECTED COSTS FOR 2011:

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 \$721,358, which is substantially higher than 1<sup>st</sup> quarter overtime has ever been. At this level, the Department would end the year \$250,000 to \$300,000 over budget.

However, there are other concerns that may drive even greater increases. The political situation continues to be dynamic, with possibilities for more protests driving additional costs. (At this time, it's unknown how much the State is planning to reimburse the City for policing these events.) There are also some indications that, with Wisconsin playing a more central role in the national discussion, more high-profile political figures may visit Madison, which always results in added overtime.

Finally, the ability for officers to take time off is key in maintaining a lower pay-to-time ratio. If political, or other activities, result in less opportunities for officers to take time off, it is likely that even more overtime would be taken as pay. In addition, with officers earning more overtime it is likely that more officers will reach the maximum level for comp time. This will result in an increase in the pay-to-time ratio, and greater cost to the City.