

REPORT: Police Overtime for 2009 and 1st Quarter of 2010

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 2009 and the first quarter of 2010.

The total 2009 budgeted expense for the Madison Police Department was \$58,909,980. Wages and benefits accounted for \$49,776,054 or 85% of budgeted expenditures. In all, at least 92% 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 60% 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 2009 OVERTIME:

The total cost of overtime for the Madison Police Department (MPD) in 2009 was \$2,289,459, which is \$107,521 over the 2009 budget of \$2,181,938. The cost of overtime represents a 6.3% increase, or \$136,668 more than the \$2,152,791 expended in 2008. **(For a comparison of overtime expenses, refer to Appendix A)**

In 2009, the hours earned totaled 103,760, which is an increase of 4% over the 99,671 hours earned in 2008. These two years compare with the 100,620 hours in 2007, 99,024 hours in 2006, and 94,478 hours in 2005. **(Refer to Appendix B)**

As highlighted in overtime reports throughout the year, the pay-to-time ratio remained extremely low during 2009, 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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Briefing Time	29,493	28,361	26,108	25,883	25,971
Legal Appearance	4,596	4,532	4,697	4,820	5,426
Holiday Day In Future	23,235	21,510	20,490	19,886	20,017
Convert to Pay	7,507	6,461	8,048	7,144	5,621
TOTAL	64,831	60,865	59,343	57,733	57,035

As anticipated contractual overtime hours rose due to added personnel. However in addition to the personnel increase, the fact that several holidays occurred on dates that many staff are scheduled off, resulted in an increase in Holiday Day In Future hours earned. This pattern will continue in 2010. Increased hours of comp time converted to pay were offset by fewer hours of vacation time converted to pay.

The comparative breakdown of Demand-Driven overtime hours is:

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Routine	14,516	15,332	15,718	15,902	16,844
Extraordinary Event	7,900	8,550	8,743	7,917	3,166
Planned Event	6,723	5,852	4,493	7,177	7,674
Problem Initiative	1,889	1,371	3,435	0	0
Holdover	3,524	2,478	5,976	5,140	4,709
Meetings	904	583	807	967	607
TOTAL	35,456	34,166	39,172	37,103	33,000

Although Demand-Driven overtime was higher in 2009 than 2008, it remained lower than the hours earned in 2007 and 2006. Routine overtime hours were the lowest in five years, and holdover continued low when compared with the five-year average. Although Extraordinary Event overtime was low compared to previous years, the visit by President Obama combined with a unique spike in Extraordinary Events from late November through the end of the year, drove fourth quarter increases in Extraordinary Event hours, as well as Holdover hours.

There were two key reasons for the increase in Demand-Driven overtime. The first was the highly successful Problem Initiative to address issues at the South Transfer Point. (The costs for these 639 overtime hours were reimbursed to the Police Department from Metro Transit.) The second reason was the combination of hours related to Planned Events. Although overtime hours for Breakfast decreased significantly, this was more than offset by a substantial increase in hours for the Mifflin Street Block Party, as well as added hours for Rhythm & Booms due to the date change for rain. In addition, two new Planned Events were added in 2009. These were Ride The Drive and the Madison Mini-Marathon.

Finally, Civilian overtime, which dramatically increased in 2008, began to rise mid-year in 2009. In the 1st quarter of 2009, civilian overtime was reduced due to additions of staff positions to meet the workload created by added commissioned staff. This trend changed in the 2nd quarter as the hiring freeze resulted in the need to add some overtime hours in order to maintain service. Civilian overtime totaled 3,472 hours in 2009, as compared with 4,640 in 2008, 2,105 hours in 2007, 4,188 hours in 2006, and 4,443 hours in 2005.

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 unanticipated revenue of \$86,978 which offset the overtime expenditures in 2009.

Summary of 2009 Overtime:

- Both the cost of overtime and the hours of overtime earned increased from 2008 to 2009.
- Increases in contractual overtime related to the added staff, as well as the cycle of holiday time earned.
- Increases in demand-driven overtime were primarily due to increased hours for planned events, as well as implementation of the South Transfer Point problem initiative. This initiative was highly successful in reducing calls for service, and costs in the amount of \$32,027 were fully reimbursed by Madison Metro.
- 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 has resulted in maintaining lower costs for overtime
- Overtime expenditures were offset by a federal reimbursement of \$86,978 for overtime related to investigations of gun-related violent crimes.

REPORT OF 1st QUARTER 2010 OVERTIME:

The first quarter of 2010 saw a significant increase in the number of hours of overtime earned. Some of this increase can be attributed to the standard rotation of payroll cycles that resulted in an increased number of weeks charged to the first quarter in 2010. This will be offset by a decreased number of weeks charged to the 4th quarter. The year-to-date hours for 2010 are 22,315 as compared to 18,618 in 2009, 21,347 in 2008, 21,097 in 2007, and 20,342 in 2006. **(Refer to Appendix D)**

Since 2008 the pay-to-time ratio has been maintained at an historic low. This trend continued during the first quarter of 2010. Again this seems to be due to staffing levels that allow for sufficient time off.

A 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	7,852	6,823	6,329	6,240	6,302
Legal Appearance	1,015	838	999	1,072	994
Holiday Day In Future	4,295	4,169	4,579	5,877	4,210
Convert to Pay	1,836	1,529	1,193	1,288	1,441
TOTAL	14,998	13,359	13,100	14,477	12,947

Increases in contractual overtime are primarily related to the cycle of pay periods that increased the hours in the first quarter, as well as additional hours converted to pay.

Demand-Driven overtime hours increased 35% in comparison to 2009, but were only slightly higher than the average for the four previous years. A comparative breakdown of Demand-Driven overtime hours is:

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Routine	3,485	3,055	4,154	3,565	3,791
Extraordinary Event	1,694	796	2,047	1,227	857
Planned Event	32	1	3	0	6
Problem Initiative	196	43	23	80	N/A
Holdover	475	428	689	1,034	1,010
Meetings	223	185	121	209	206
TOTAL	6,105	4,508	7,037	6,115	5,870

Both Holdover and Routine overtime continued lower than the average of the prior four years. This trend appears to be linked to the addition of staff, which allows the Department to maintain sufficient levels of service while minimizing overtime.

The most significant increase in hours was in the Extraordinary Event category which saw a substantial increase from 2009 and was also higher than the average. The increase in activity in December continued into 2010 with several suspicious death investigations, including a highly complex investigation related to an infant death, as well as a homicide.

Finally, Civilian overtime also increased during the 1st quarter of 2010. The total hours in the 1st quarter of 2010 were 1,212 as compared to 751 in 2009, 1,211 in 2008, 505 hours in 2007, and 1,525 in 2006. This is primarily the result of holding vacant positions open for longer periods of time.

PROJECTED COSTS FOR 2010:

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 \$418,360. This is substantially higher than the cost of \$339,832 at the end of the first quarter of 2009. Although the Department change to a five-shift model occurred halfway through the first quarter of 2010, it's too early to determine if this change will have an impact on overtime. However, we will continue to monitor this throughout the year.

Other issues that could drive overtime increases include continuing increases in Extraordinary Event hours, as well as added costs for Planned Events. However, maintaining a low pay-to-time ratio could offset some of the increases. At this time, it appears likely that the Department will be over budget for overtime in 2010.