

**REPORT:** Police Overtime for 2012 and 1<sup>st</sup> Quarter of 2013

**FROM:** Noble Wray, Chief of Police

**DATE:** April 25, 2013

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 2012 and the first quarter of 2013.

The total 2012 budgeted expense for the Madison Police Department was \$62,456,137. 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 three 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 2012 OVERTIME:**

The total cost of overtime for the Madison Police Department (MPD) in 2012 was \$2,367,346, which is \$41,224 over the 2012 budget of \$2,326,122. The cost of overtime represents nearly a 12% decrease from the funds expended on overtime in 2011. However, it's important to note that 2011 overtime included significant costs related to the protests at the capitol. The total cost of overtime in 2012 compares with the \$2,687,008 expended in 2011, \$2,161,406 in 2010, \$2,289,459 in 2009 and \$2,152,791 in 2008 **(Refer to Appendix A)**

In 2012, the overtime hours earned totaled 104,553, which is a decrease of 8% over the 113,571 hours earned in 2010. These two years compare with the 106,285 hours in 2010, 103,760 hours in 2009, and 99,671 hours in 2008. **(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 and 2012 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 a return to a lower 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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Briefing Time	29,767	29,886	30,492	29,493	28,361
Legal Appearance	4,788	4,740	4,006	4,596	4,532
Holiday Day In Future	22,751	24,488	26,018	23,235	21,510
Convert to Pay	7,622	7,292	7,394	7,507	6,461
<b>TOTAL</b>	<b>64,928</b>	<b>66,406</b>	<b>67,910</b>	<b>64,831</b>	<b>60,865</b>

The reduction in Holiday Day In Future hours was due to the pattern of how holidays are charged at the end of the year.

The comparative breakdown of Demand-Driven overtime hours is:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Routine	11,720	14,570	14,465	14,516	15,332
Extraordinary Event	9,359	18,881	8,924	7,900	8,550
Planned Event	7,754	6,862	5,985	6,723	5,852
Problem Initiative	4,626	2,131	2,785	1,889	1,371
Holdover	2,579	2,451	2,346	3,524	2,478
Meetings	358	379	760	904	583
<b>TOTAL</b>	<b>36,396</b>	<b>45,274</b>	<b>35,265</b>	<b>35,456</b>	<b>34,166</b>

Although Demand-Driven overtime dropped significantly from the prior year, the total hours are slightly above the average of the three years prior to 2011. It's difficult to make comparisons with 2011, since that was the year overtime increased substantially due to protests at the Capitol. Higher overtime hours for Extraordinary Events in 2012 were primarily due to the two campaign visits by President Obama. There was also added funding for neighborhood safety initiatives, which resulted in an increase in Problem Initiative overtime. Finally, the increase in Planned Event hours were predominantly due to the rising costs for the Mifflin St. Block Party, although there were also added hours for Freakfest.

It's also important to note that Routine Overtime dropped substantially in 2012. As highlighted in prior overtime reports, this drop was due to specific efforts by police supervisors to implement several initiatives to reduce overtime. Although Holdover had tracked lower throughout the year, position vacancies and other staffing issues in the 4<sup>th</sup> quarter led to an uptick in Holdover overtime at the end of the year. Challenges related to these staffing issues continued into 2013.

Finally, Civilian overtime increased by over 70% from 2011 to 2012, although the total hours of civilian overtime was similar to the average of the prior four years. Throughout 2012 civilian overtime tracked somewhat higher than previous years due to vacancies. However, the precipitous increase in the 4<sup>th</sup> quarter was due to the implementation of the new Records Management System which resulted in the need for significant overtime. Although we requested additional technology staff, the position was not obtained. As a result records and technology personnel worked long hours to transfer data and ensure the operability of a system critical for the day-to-day operations of commissioned personnel. Civilian overtime totaled 3,229 hours in 2012, as compared with 1,891 hours in 2011, 3,110 hours in 2010, 3,472 hours in 2009 and 4,640 in 2008.

#### **Summary of 2012 Overtime:**

- Both the cost of overtime and the total overtime hours decreased from 2011 to 2012, primarily because 2011 was abnormally high as a result of the protests that year.
- The pay-to-time ratio continued at a higher rate than in years prior to 2011, as officers elected to take more of their overtime as pay.
- Contractual overtime decreased, primarily due to the regular cycle of when holidays occur.
- Presidential visits, increases in overtime for the Mifflin event, and added neighborhood initiatives resulted in added Demand-Driven hours that were substantially offset by reductions in Routine overtime hours.

#### **REPORT OF 1<sup>st</sup> QUARTER 2013 OVERTIME:**

The first quarter of 2013 saw a 6% decrease in the number of hours of overtime earned when compared with 2012, and was the lowest first quarter since 2009. The year-to-date hours for 2013 are 21,541 as compared to 22,980 in 2012, 31,489 in 2011, 22,315 in 2010, and 18,618 in 2009. **(Refer to Appendix D)**

The cost of first quarter overtime was \$436,077, which compares with \$465,065 for 1<sup>st</sup> quarter 2012, \$721,358 for 2011, \$418,360 for 2010, and \$339,832 for 2009. Please note that \$338,126 of the 2011 costs were for the protests.

A 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	7,467	7,808	7,820	7,852	6,823
Legal Appearance	955	1,259	1,224	1,015	838
Holiday Day In Future	4,797	6,452	4,523	4,295	4,169
Convert to Pay	1,594	1,167	1,476	1,836	1,529
<b>TOTAL</b>	<b>14,813</b>	<b>16,686</b>	<b>15,043</b>	<b>14,998</b>	<b>13,359</b>

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

A comparative breakdown of Demand-Driven overtime hours is:

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Routine	2,680	3,035	2,939	3,485	3,055
Extraordinary Event	2,235	2,098	12,177	1,694	796
Planned Event	0	2	18	32	1
Problem Initiative	26	187	42	196	43
Peak Staffing – Central	27				
Holdover	499	446	564	475	428
Meetings	82	83	104	223	185
<b>TOTAL</b>	<b>5,549</b>	<b>5,851</b>	<b>15,844</b>	<b>6,105</b>	<b>4,508</b>

Routine overtime is at the lowest rate in five years. This drop is a specific result of efforts by police supervisors to continue initiatives implemented in 2012 to reduce overtime. Although Holdover had been decreasing, an increase in the number of vacancies in conjunction with employees unavailable for primary assignments due to family leave, military leave, etc., is now resulting in an uptick in Holdover overtime. Some of these vacancies continue to be mitigated by the contingency staffing plan, designed to reassign officers from non-patrol positions into patrol. However long-term this creates 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.

It's important to note that in 2013 the Department has added an overtime category for Peak Staffing. In 2009, when the Etico staffing recommendations were presented, the workload variance in the Central District was highlighted. These peak service times, particularly Friday and Saturday evening, created a workload issue that is most efficiently addressed through the use of overtime. With the increased issues that have arisen in the past few years, the Department determined that it would be most effective to add overtime funds to regular staffing during these peak service times. This funding replaced the previous DSI funds, which were reassigned to citywide safety initiatives. As the Central District, or any of the five police districts, needs overtime funding to address emerging issues, the safety initiative funding will be used. As of 2013, only the Southwest neighborhoods have funding specifically allocated for overtime initiatives.

Finally, Civilian overtime hours increased dramatically during the 1<sup>st</sup> quarter of 2013, and are substantially higher than the average of the prior four years. The total hours in the 1<sup>st</sup> quarter of 2013 were 1,179, as compared to 443 in 2012, 602 in 2011, 1,212 in 2010, and 751 in 2009. The increase in civilian overtime continued from 2012, and is a direct result of the implementation of a new Records Management System and the rising volume of records requests. In addition, the inability to obtain added technology personnel at a time when many critical MPD technology systems need substantial effort to keep functional, is resulting in considerable overtime.

#### PROJECTED COSTS FOR 2013:

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 \$436,077. If overtime expenditures continue at this rate, the Department will end the year under budget.

However, challenges with maintaining patrol staffing due to vacancies and the delay in the start of the Preservice Academy, may result in a rise in Holdover overtime. In addition, the ability for officers to take time off is key in maintaining a lower pay-to-time ratio. With a decrease in available staff, the resulting decrease in opportunities for officers to take time off are likely to result in more overtime taken as pay. If this happens overtime costs will increase.