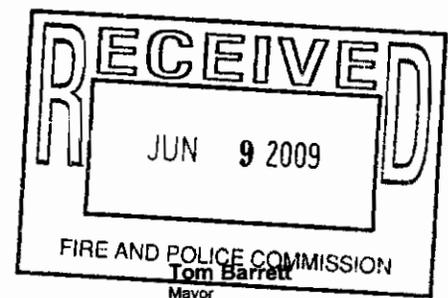




Department of Administration
Budget and Policy Division



Sharon Robinson
Administration Director

Mark Nicolini
Budget and Management Director

June 9, 2009

Ref: 09034

Alderman Michael Murphy, Chair
Finance and Personnel Committee
City Hall, Room 205

Subject: 2009 Police Department Overtime Status Report

Dear Alderman Murphy:

This communication reports Milwaukee Police Department (MPD) overtime expenditures in accordance with Common Council File 021045. The report contains general 2009 overtime and salary data related to dollars and hours expended, along with various comparison data from prior years.

Issue Summary

1. So far, the MPD has expended \$3.7 million of O&M (tax levy supported) overtime in 2009, a decrease of \$2.4 million from the same period in 2008.
2. MPD utilized about 102,000 hours of total overtime so far in 2009, a 35.5% decrease from the same period in 2008.
3. Overtime controls put in place during the second quarter of 2008 produced favorable and lasting results. Data reflect a significant reduction in overtime without an increase in compensatory time.
4. There is a low probability that the MPD will over expend overtime or total salary appropriations for 2009.

Overtime Budgets, Expenditures, Hours

The 2009 MPD tax levy-supported overtime budget is \$15.1 million. This amount is adjusted for the Milwaukee Police Supervisors' Organization (MPSO) 2004-2006 contract settlement and to correct for the counting of FLSA related overtime (ec 079) that is seen in the line-item budget under "other" salaries. Additional budget funding is included in the Wages Supplement Fund for the MPSO settlement, while the 079 correction is already budgeted in the MPD salary account and simply represents a shift in reporting.

The tax levy and grant supported overtime expenditures, depicted in Figure 1, continue to show results of the MPD's overtime planning and controls, with significant impacts visible starting in pay period 10, 2008. With these controls, greater reductions in overtime have continued on through 2009. A comparison of all overtime hours and O&M overtime expenditures for pay periods 1 through 10 is presented on the following page in Table 1. Even with varying rates of pay for each respective year, the MPD has reduced O&M overtime expenditures by 32% from 2007 and 39% from 2008 expenditures.

Since prior year data contain varying wage rates for labor agreements of multiple bargaining units, individuals in the department may be receiving different levels (contract year) of compensation at any particular time. Most recently, the Milwaukee Police Supervisors Organization (MPSO) members were at 2003 rates of pay until pay period 26, 2008 when they started receiving 2006 rates. As Figure 3 and Table 1 depict, the overtime hours expended have been significantly reduced when compared to the same time periods of previous years. For example, total hours expended year-to-date in 2009 totals 102,000 hours, compared to 158,000 hours in 2008, a 35% decrease.

Compensatory Time

It is important to report, as depicted in Figure 2, that the MPD overtime control has been successful in that overtime has not simply shifted to compensatory time. For comparison, 2009 year-to-date compensatory time is approximately 5% less than was experienced in the previous 3 years.

Total Salary Expenditures

Overtime, while represented as a separate budget line item, is accounted for within the MPD's \$162.5 million 2009 salary account (not adjusted for the mentioned MPSO settlement). With current overtime and salary expenditure data available, there is a low probability that the MPD would over expend its salary appropriations, even when taking into account the likely increase in overtime expenditures during the summer months.

Figure 1

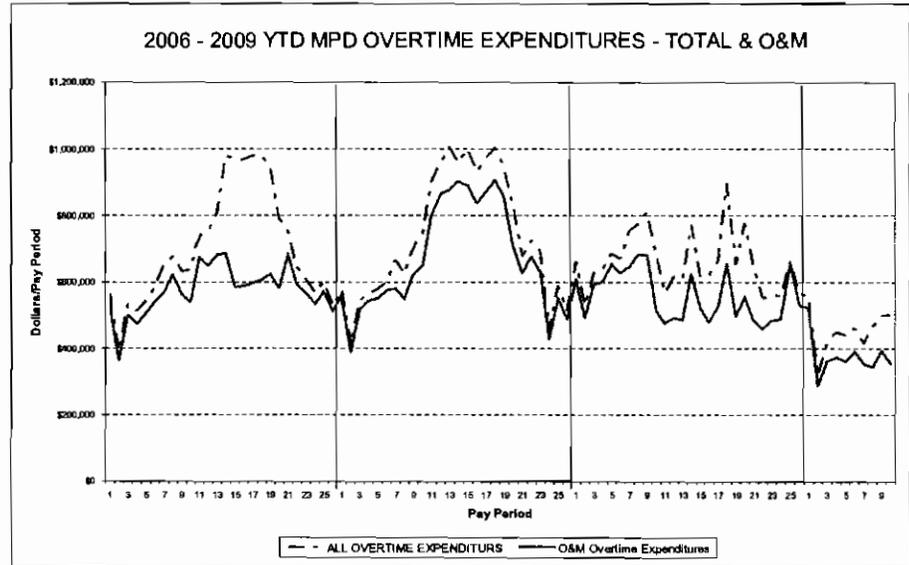


Table 1

MPD OT Hours & Expenditures Comparison PPs 1 - 10		
	All OT Hours	O&M OT Expenditures
2006	139,511	\$5,201,962
2007	146,679	\$5,526,161
2008	158,417	\$6,101,918
2009	102,166	\$3,745,852

Figure 2

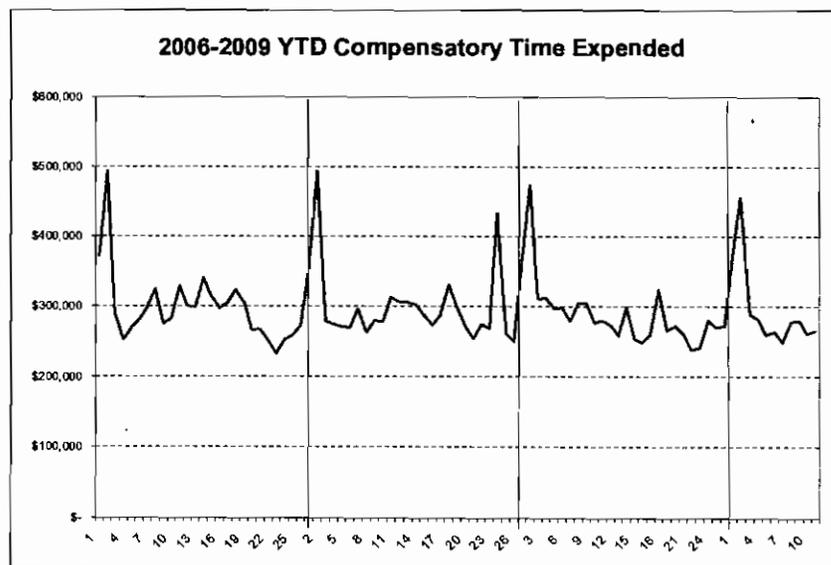
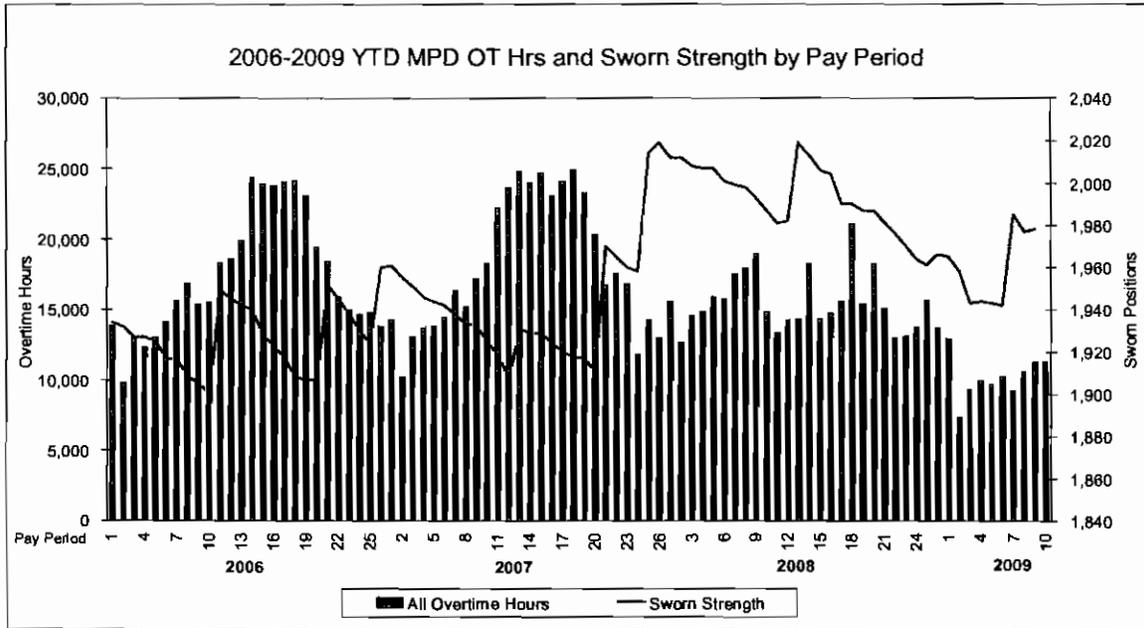


Figure 3



If you have further questions regarding overtime expenditure data, please feel free to contact David Schroeder of the Budget Office at extension 8524. If you need additional information regarding Police Department strategies and initiatives, please contact Acting Chief of Staff Captain Diana Rowe at 935-7770.

Sincerely,

Mark Nicolini
Budget and Management Director

Edward Flynn
Chief of Police

DS:dmr

cc: Finance and Personnel Committee
Fire and Police Commission ✓
Mayor's Office