

**TO:** Paul Ostrow, Chair Ways and Means Committee  
Ways and Means Committee Members

**FROM:** Gaynell Schandel 

**CC:** Chief Tim Dolan  
Budget Director Heather Johnston  
Mayor's Chief of Staff Tina Smith

September 25, 2007

**RE: SEPTEMBER UPDATE-MPD BUDGET STATUS**

In August of 2007, I reported to your committee the status of our budget. Based on Financial Data from August 17, 2007, the Police Department was projected to be just \$5 million over budget.

As of September 14, 2007, expenditures in the General Fund (0100) are just over \$4.7 M above projections. The department will continue to closely monitor the areas of over expenditure.

The reasons for this over expenditures continue to be:

- The overtime is projected to be \$156,297 over budget. This amount does not include any overtime attributed to the 35 W bridge collapse.
- Traffic Control Agent fines are above the August collections by \$17,600 but still below projections by nearly \$763,434. Community Service Officers (CSOs) are being trained to provide traffic control. This will allow the Traffic Control agents to return to other duties including issuing violation tags.
- Police Fine revenue is projected to be lower by \$1.4 M. This is just slightly more than the deficit reported last month. The eleven officers assigned to the Traffic Unit as of 9/1/2007 are on the street and have been involved in specially training for their positions. This training includes advanced accident investigation and use of the Intoxylizers. As of 10/28/2007 they will begin working a 24/7 schedule.
- Contractual Services continue to be above projections at just over \$3.8M. Hennepin County Jail costs and BIS charges are the major drivers in this cost. The details are included in the attachments.

At last month's report a member of the committee for information about overtime use for Field Training Officers (FTOs) and meetings. Another member asked for an explanation as to why the department was over budget in the salary line item.

Field Training Officers are the-on-the-job teachers for newly graduated police officers. The new officers are trained for five and a half months. The selection of FTOs recognizes their skill level as a police officer in a process that includes screening for complaints and production. The department hires an outside trainer for new FTOs. It is common for police departments to provide incentives for FTOs including more points on promotional examinations or an increase in their hourly pay rate. Here is the contract language which explains the overtime payment in our department. The overtime is not due to a shortage of FTOs to do the work or their extra hours. The payment recognizes the effort they put forth as trainers.

**Subd. (b) *Field Training Officers.*** As compensation for the additional duties associated with the assignment, an employee who serves as a Field Training Officer (FTO) shall be paid a premium equal to one and one-quarter (1 1/4) hours at straight time for each work day or part thereof in which he/she/they acts as an FTO with the responsibilities for reporting on the performance of the trainee. Such compensation shall be in addition to the employee's regular compensation for the hours actually worked. The Department will attempt to staff its FTO program with volunteers, but reserves the right to reject a volunteer who it determines is not appropriate to serve as an FTO and to assign employees to FTO duties if the needs of the Department cannot be fully staffed by volunteers. The Department will use its best efforts to reasonably limit the number of consecutive months during which it will involuntarily assign an employee to FTO duties.

In March of 2007, Chief Dolan sent out a department wide notice that officers were not to attend community meetings on overtime unless it is approved by a Commander. From January to March of 2007 there were 1,461.75 hours of meeting time. From March until the pay period ending August 18, there have been 628.5 hours.

The difference in the salary is due to assumptions about attrition. The salaries were estimated based on the settled contract and additional positions, then a negative amount (in the turnover savings line) was added to the budget to reduce the overall salary category. So, to the degree that the department is experiencing attrition at a rate less than what was anticipated in the budget, this category would be "in the red."

The comp, sick time and vacation buy outs are budgeted based on past history. The letter of agreement in the recent federation contract significantly increased the annual comp time payout and the impact was unknown when the 2007 budget was developed. Even if the impact had been known there would have been shortages in the budget because the financial direction is not adjusted to cover increases above two percent.

**2007 Budget Summary - DRAFT**  
(In Thousands)

	2/8/2007		Projected		Based on PR Ending	
	Original Projections	3/17/2007 Revised Projections	3/17/2007	Revised Projections	9/1/2007	9/1/2007
Regular Salaries w FB - projection based on current payroll	\$ 306	306	306	306	306	306
Overtime based on 2006 actual						
Safe City w FB	\$ (1,413)					
Semi Annual w FB	(505)			(505)		
Regular OT (added recruit hiring \$200K)	(2,027)	(3,945)	(2,227)	(2,732)	(731)	2,001
Contractual Services						
CAD	(662)			(662)		
Shotspotter	(270)			(270)		
Cameras	(89)			(89)		
BIS maintenance shotspotter & cameras	(121)			(121)		
Hamilton School Revised on 7/12/07 from \$758K to \$358K	(753)			(358)		
MDC Replacement Removed 3/17 - not planning to replace	(500)					
Jail - increased on 3/17 for \$620K to \$1,000K	(620)			(1,000)		
CRM	(237)			(237)		
Juvenile	(317)			(300)		
Phones	(315)			(413)		
ITS services				(315)		
Other Operating Cost						
Uniforms	(142)			(142)		
Armo	(96)			(68)		
Buy funds	(68)					
				(306)		
<b>Total Projected Overage</b>		\$ (7,829)	\$ (6,401)	\$ (3,871)	\$ (4,682)	\$ 1,719
Note: When budget is transferred between Contractual and Other Operating, the current projected balance will reflect the budget revisions.						
Above items paid as of 9/11/07:						
Shot Spotter	177,205					
National Night Out	10,930					
Handhelds	200,260					
CAD	706,020					
Pct Black Bx	15,009					
Cameras	126,655					
12 Notebooks	9,797					
Aircards/Sprint	158,623					
CRM	187,631					
IMAC	55,902					
Lap Top Mounts	9,159					
Other ITS Services	2,052					
	1,659,242					
Adjusted Hamilton School down to actual as 9/11/07 \$406K spent - \$500K paid from capital						

**2007 DETAIL OF CURRENT PROJECTED OVERAGE - DRAFT**

(In Thousands)

As Payroll ending 08/18/07

	Projected
Regular Salaries w FB - projection based on current payroll	\$ (80)
Semi Annual Comp, Vac & SL Payoff	(574)
Overtime	(156)
Contractual Services	
CAD	(662)
Shotpotter	(270)
Cameras	(89)
BIS maintenance shotpotter & cameras	(121)
Hamilton School Revised on 7/12/07 from \$758K to \$358K	(358)
Jail - increased on 3/17 for \$620K to \$1,000K	(1,000)
CRM	(237)
Miscellaneous overage based on 2006 actual	(106)
Juvenile	(300)
Phones	(413)
ITS services	(315)
	(3,871)
<b>Total Projected Overage</b>	<b>\$ (4,682)</b>

OT on the current PR is \$52K more than the previous PR, increasing the OT overage to \$687K when projected for the 12.6 pay periods left in the year.

Adjusted Hamilton School down to actual as 7/9/07 \$358K spent - \$500K paid from capital

35W BRIDGE PAYROLL CHARGES

PR End Date	8/4/2007		8/18/2007		9/1/2007		Total	
	Amt	Hrs	Amt	Hrs	Amt	Hrs	Amt	Hrs
4000	3,989.37	3,207.25	(1,299.36)	724.00	(899.50)	151.75	1,790.51	4,083.00
4034	144,783.53	4,968.50	77,125.47	2,586.00	19,356.81	646.25	241,265.81	8,200.75
4100	672,790.40	22,029.25	617,515.69	19,525.69	236,117.73	7,382.25	1,526,423.82	48,937.19
4200					132.78	4.00	132.78	4.00
	821,563.30	30,205.00	693,341.80	22,835.69	254,707.82	8,184.25	1,769,612.92	61,224.94
7812	348.89		670.43		268.00		1,287.32	
7813	394.16		657.72		263.69		1,315.57	
7814			1,378.83		566.64		1,945.47	
7816	93,412.67		78,006.53		28,566.74		199,985.94	
7821	10,599.31		9,143.22		3,287.69		23,030.22	
7840	9,013.90		7,563.78		2,783.66		19,361.34	
	113,768.93	-	97,420.51		35,736.42		246,925.86	
Total	935,332.23	30,205.00	790,762.31	22,835.69	290,444.24	8,184.25	2,016,538.78	61,224.94

2007 Jail Recap					
	Process Fee	Hourly	Court	Jail	
	ID Cards	Per Deim	Processing	Registers	
	\$ 75.00	\$ 4.31	\$ 75.00	\$90/mo	Total
Jan	62,100.00	72,470.50	3,750.00	90.00	138,410.50
Feb	57,225.00	63,777.94	675.00	90.00	121,767.94
Mar	67,612.50	88,335.61	2,025.00	90.00	158,063.11
Apr	74,287.50	88,180.45	1,725.00	90.00	164,282.95
May	82,650.00	98,533.07	900.00	90.00	182,173.07
Jun	69,262.50	106,448.38	975.00	90.00	176,775.88
Jul	77,400.00	91,104.78	600.00	90.00	169,194.78
Aug	88,237.50	98,567.54	525.00	90.00	187,420.04
Sep					-
Oct					-
Nov					-
Dec					-
	578,775.00	707,418.27	11,175.00	720.00	1,298,088.27
	7,717.00	164,134.17	149.00		
	7,866.00				
YE Proj	749,680.16				2,047,768.43
Budget					1,115,916.00
Difference					(931,852.43)