

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: October 23, 2012

To: Supervisor Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

From: Scott B. Manske, Milwaukee County Comptroller

Subject: Analysis of County Executive's Proposed Memorandum of Understanding with the City of Milwaukee Police Department to Provide Park Patrol and Cellular 911 Response Services.

You have requested an independent fiscal analysis of the effect of a proposed Memorandum of Understanding (MOU) between the City of Milwaukee and Milwaukee County for the Milwaukee Police Department to provide park patrol and cellular 911 response services within the City of Milwaukee. The proposed MOU is contained in the County Executive's 2013 Recommended Budget.

SUMMARY FISCAL ANALYSIS

The County Executive's 2013 Recommended Budget narrative identifies net tax levy savings of \$1,216,693 from the 2012 Adopted Budget and \$1,716,400 from a 'cost to continue' funding level requested by the Office of the Sheriff for 2013. The Office of the Comptroller has reviewed the savings calculations and believes the potential County tax levy savings from the proposed initiative is approximately \$1.5 million from 2012 Adopted Budget appropriations. Details of the Office of the Comptroller's calculations are presented in **Attachment 1**. In addition, the Office of the Comptroller makes the following observations with regard to the proposed MOU savings described in the County Executive's 2012 Recommended Budget narrative:

- The \$1.7 million cost to continue savings is overstated by approximately \$190,000 in legacy fringe benefit costs. Legacy fringe benefit costs may be reallocated among various County departments or organizational units, but they are fixed obligations of the County as a whole are not affected by decisions to outsource activities to which they are attached for budgetary or accounting purposes. While inclusion of the legacy fringe benefit costs overstates the cost to continue savings, failure to adopt the MOU would require a like amount to restore two Communications unit positions eliminated from the 2012 Adopted Budget.
- There is mention in the County Executive's 2013 Recommended Budget narrative of increased overtime in the Office of the Sheriff to help absorb the fiscal impact of cutting the Park/TEU unit, which, as described in this report, is used by the Office of the Sheriff to cover other activities based on need. Detail provided by the budget office indicates a potential excess of approximately \$131,000 over the Office of the Sheriff's total departmental overtime budget request for 2013. However, this should be viewed in context of the staffing reduction of the 7 FTE and 18.3 FTE in funding from the Park/TEU unit the Office of the Sheriff used in 2011 and 2012, respectively, for other functions (see discussion on pages 4 and 5 of this report). This equates to approximately \$455,000 the Office of the Sheriff made available in 2011, based on service levels actually deployed under the pro-active park patrol

service model, and \$1.2 million based on 2012 service levels under the reactive call response model.

- The budget office correctly points out that if the MOU initiative is not approved, an additional two funded positions abolished from the 2012 Adopted Budget in recognition of the partial transfer of cellular 911 calls (four of six cellular service providers) would need to be restored at a cost of \$190,430. This is because the City of Milwaukee has communicated its intention to return all responsibility for cellular 911 calls to the County if the MOU is not approved.
- Other Impacts if the MOU is not adopted:
 - The County will have to reestablish budget for Org Unit 4019 – TEU/ Parks Patrol.
 - The County will have to reverse the layoff of positions in the communications org unit of the Office of the Sheriff.
 - The 2013 budget would no longer include payments to the Milwaukee Police Department for communications and park patrols.

BACKGROUND

Key provisions of the MOU:

- **Term.** Three years (2013, 2014 and 2105) with a mutual option for a two-year extension for services in 2016 and 2017.
- **Park Patrol.** The City of Milwaukee Police Department (MPD) will provide non-exclusive police services at all County parks within City limits, including responsibility for public safety, law enforcement and traffic flow at all major events at the Lakefront and any other parkland within the City limits. While the MOU indicates prior experience of the Office of the Sheriff will be taken into consideration, it places sole authority for determining police service levels with the City of Milwaukee Chief of Police.
- **Cellular 911 Calls.** MPD will receive all 911 emergency calls made on cellular telephones within the City limits. Once again, sole discretion for determining the number of employees appropriate to adequately staff the number of calls received under this provision rests with MPD.
- **Compensation.** The County will pay a lump sum of \$1,663,062 for the above services covering the first year of the MOU. The lump sum includes the following components:
 - \$950,000 for police services at the Lakefront.
 - \$250,000 for police services at all other County park locations within the City limits.
 - \$463,062 for cellular 911 call intake.

A two percent escalator is applied for each of the remaining two years of the initial three-year term. Therefore, annual payments from the County to the City of Milwaukee under the proposed MOU are:

- \$1,663,062 in 2013.
- \$1,696,323 in 2014.
- \$1,730,249 in 2015.

The MOU calls for a re-negotiation of compensation for the optional two-year period.

- **Termination.** If either the Milwaukee County Board or the City of Milwaukee Common Council fails to appropriate funding for services under the agreement for the budget for a subsequent year, the MOU is terminated effective January 1 of that unfunded year. There is no other provision for terminating the MOU during the initial three-year term.
- **Reporting.** The City will provide the County with an annual report each calendar year that provides the following detail:

Park Patrol:

- Service hours provided for the Park Patrol.
- Arrests made by criminal classification.
- Costs borne by the City for these activities.

911 Calls:

- Number of cellular 911 calls received from within the City limits.
- Costs borne by the City to service these calls.

The County has the right to review all documentation, as permitted by law, used by the City to prepare the annual reports.

- **Hiring.** The City shall give consideration to hiring laid-off County law enforcement and telecommunicators when, in its sole judgment, additional staff are needed to fulfill the City's obligations under the MOU. The City's employee residency requirements would apply.
- **Jurisdiction.** The non-exclusivity provision and a separate provision stating that the MOU does not alter the respective jurisdictions of the Milwaukee Police Department or the Milwaukee County Office of the Sheriff appear to acknowledge the State Constitutional and Statutory authority and responsibility of the Milwaukee County Sheriff to maintain public safety within the boundaries of Milwaukee County.

Key budgetary impacts of the MOU as presented in the County Executive's 2013 Recommended Budget:

- **Position Reductions.** The Recommended Budget eliminates the following positions related to the MOU.

Park/Tactical Enforcement Unit (TEU):

- 25.0 FTE Deputy Sheriff 1 positions are abolished.
- 2.0 FTE Deputy Sheriff Sergeant positions are abolished.
- 1.0 FTE Parking Checker Hourly position is abolished.
- Approximately 7.0 FTE in Overtime is eliminated.

Communications (Related to 911 Calls):

- 5.0 FTE Communications and Highway Safety Dispatcher positions are abolished.
- 1.0 FTE Deputy Sheriff Sergeant position is abolished.
- Approximately 1.0 FTE in Overtime is eliminated.

- **Fiscal Impacts.** The Recommended Budget details the following fiscal implications of the MOU initiative.
 - Reduced personnel costs of \$2,925,226 from eliminating the Park/TEU Unit and \$463,062 for reduced Communications staffing.
 - Elimination of \$66,072 in miscellaneous related costs.
 - Loss of revenue totaling \$98,000 for parking citations and special event fees.
 - An increase of \$500,000 for enhanced bus security on Milwaukee County Transit System (MCTS) buses. Although referenced in the budget narrative that details the MOU initiative, the Department of Administrative Services fiscal staff indicated this increased funding should not be included in evaluating the fiscal impact of the MOU because the Office of the Sheriff had already informed MCTS that it would not provide bus security services in 2012 due to 2012 budget cuts. According to the budget office, the MCTS request for additional funding for private security was independent of the 2013 MOU initiative.
 - An increase of \$125,000 to be shared among the other 18 municipalities within the County additional resources for patrolling County parks in their jurisdictions.

- **Net Savings.** According to the County Executive's 2013 Recommended Budget, overall tax levy savings to the County for 2013 are \$1.2 million compared to the 2012 Adopted Budget and \$1.7 million compared to the Office of the Sheriff's 2013 budget request. The Office of the Comptroller will address these cost saving estimates later in this memo.

ANALYSIS

Park/TEU Unit

The Office of the Sheriff has a flexible staff that can be assigned to various tasks in different units, depending on deployment priorities that change based on fluid circumstances. In the 2012 Adopted Budget, the Office of the Sheriff lost 40 Deputy Sheriffs to layoffs. It appears, based on a review of time records and documents provided by the Office of the Sheriff, that the loss of these officers triggered several staffing adjustments. These included reducing Park/TEU assignments, adjusting public safety assignments in the Criminal Justice Facility and increasing overtime for the year.

The workload of the Park/TEU unit is seasonal in nature, with the majority of activity occurring in the summer months, particularly at the Lakefront and during major summer events. A significant component of the staffing adjustments in 2012 for the Park/TEU unit was a change in deployment strategy. In 2011 the Office of the Sheriff deployed the Park/TEU unit in a pro-active patrol model. Deputy Sheriffs were assigned to specific zones and charged with developing relationships with local groups and citizens within their zones to promote accessibility to law enforcement promote a safe and responsive environment. In 2012, the Office of the Sheriff changed its deployment model for the Park/TEU unit to one that is primarily reactive, with Deputy Sheriffs dispatched in response to calls for assistance.

As an independently elected Constitutional Officer, the Sheriff is free to determine his staffing assignments, without other governmental action. Therefore, while the 2012 Park/TEU unit was funded with 35 Full Time Equivalent (FTE) positions, including overtime, actual deployment of staff for the Park/TEU function is projected at 16.5 FTE, or less than half the budgeted amount. As a result, the staffing cuts contained in County Executive’s 2013 Recommended Budget initiative to eliminate the Park/TEU unit go beyond the service levels devoted to that unit during the past two years under both the pro-active patrol model (2011) and the reactive call response model (2012).

As shown in **Table 1**, 2013 position and overtime cuts of approximately 35 FTE from the Parks/TEU unit represent more than double the projected 16.5 FTE deployed by the Office of the Sheriff in 2012, and an excess of 7 FTE more than the pro-active patrol model used in 2011.

	Actual 2011	Projected 2012	2013 CEX Budget Reduction	Reduction in Excess of 2011	Reduction in Excess of 2012
Straight Time Hours	37,246	17,201	-47,600	-10,354	-30,399
Overtime Hours	10,155	10,907	-11,662	-1,507	-755
Total Hours	47,401	28,108	-59,262	-11,861	-31,154
FTE (based on 1700 hrs)	27.9	16.5	-34.9	-7.0	-18.3

Source: Ceridian time records and County Executive 2013 Recommended Budget.

The proposed MOU apportions the \$1,200,000 devoted to park patrol between the Lakefront (\$950,000) and all other County parks within the City of Milwaukee (\$250,000). While a precise breakout of Office of the Sheriff staff deployment between those two general areas is not available, a general indicator of the unit’s deployment priorities can be obtained from an incident database maintained by the Office of the Sheriff. **Table 2** shows the number and percentage of incidents recorded in County parks during 2011 and during 2012 through the month of September.

	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>
Office of the Sheriff				
Lakefront	493	22.1%	604	55.3%
Non-Lakefront City	1,438	64.5%	402	36.8%
Non-City	298	13.4%	86	7.9%
Office of the Sheriff Sub- Total	2,229	100.0%	1,092	100.0%
Other Agencies				
Lakefront	101	10.2%	69	6.6%
Non-Lakefront City	649	65.4%	720	69.0%
Non-City	242	24.4%	255	24.4%
Other Agencies Sub-Total	992	100.0%	1,044	100.0%
Grand Total	3,221		2,136	
Source: Milwaukee County Office of the Sheriff incident database.				

It should be noted that, according to MPD, the department already provides significant law enforcement services within County parks. It cites 3,728 assignments to County parks within the City during the past 21 months. MPD envisions the patrol of the parks would largely be based upon a proactive patrol strategy, likely formally incorporating the parks into its squad and beat areas. District level decision making on such patrols would also include the deployment of bicycle patrols. Responding to calls for service would be based upon MPD's current call severity priority system.

Table 3 shows the estimated number of FTE anticipated to be funded for County park patrol from the Milwaukee Police Department and other municipalities under the MOU. The FTE are estimated based on the average salary (\$65,350) and fringe benefit (\$25,487) costs for uniformed MPD officers. Deployment is based on the MOU terms indicating \$900,000 is for Lakefront police services, \$250,000 is for non-Lakefront County parks within the City limits, and the \$125,000 grant

to municipalities contained in the County Executive’s 2013 Recommended Budget. MPD indicated it does not anticipate the need to hire additional uniformed officers to fulfill the obligations of the MOU during the first year of implementation.

Table 3
Park Patrol/TEU Unit

Estimated MOU Staffing 2013*

	<u>Actual</u> <u>2011</u>	<u>MPD**</u>	<u>Municipal</u>	<u>Total</u>	<u>Change</u> <u>from 2011</u>	<u>% Change</u> <u>from 2011</u>
FTE	27.9	13.2	1.4	14.6	-13.3	-47.7%
Lakefront	6.2	10.5	0	10.5	4.3	69.5%
Non-Lakefront City	18.0	2.8	0	2.8	-15.2	-84.7%
Non-City	3.7	0.0	1.4	1.4	-2.3	-62.6%

*Indicates staffing levels funded under the MOU. MPD and municipal police departments currently provide varying levels of law enforcement services within Milwaukee County parks.

**Does not reflect actual calls for service in County parks.

Source: Ceridian time records, City of Milwaukee Budget Office cost information, MOU terms.

Communications Unit

In 2011, by mutual informal agreement, the Office of the Sheriff began transitioning responsibility for receiving cellular 911 emergency calls that originated within the City of Milwaukee directly to MPD. Prior to that agreement, all cellular 911 calls within Milwaukee County were received by the Office of the Sheriff, and those originating within the City of Milwaukee were transferred to MPD for dispatch. The transition, which never culminated a signed agreement, involved six separate cellular service providers, but the transition was paused after volume for the four smallest providers exceeded expectations. Based on call data provided by the Office of the Sheriff, the proposed staff reductions associated with the MOU appear reasonable. According to the call data, total call volume for Office of the Sheriff Communications unit staff decreased approximately 25% for the first 10 months of 2012 in comparison to the first 10 months of 2011. Actual hours worked in the unit reflected a similar decrease, as shown in **Table 4**. Data also shows the volume from the two remaining cellular service providers, yet to be transitioned to MPD, accounted for about 50 percent of the cellular call volume in 2011 and is running at about 75% in 2012. Thus, the additional 25% reduction in Communications unit staffing levels (7.3 FTE) for 2013, should the proposed MOU be implemented, would appear reasonable. Likewise, given the reduction of approximately 3.9 FTE

deployed in the Communications unit from 2011 to 2012, the additional reduction of 7.3 FTE (including overtime) in the proposed MOU and the rising nature of the call volume, the MOU funding of 11.0 FTE for the MPD appears reasonable.

Table 4 Communications						
	<u>Actual 2011</u>	<u>Projected 2012</u>	<u>2013 CEX Budget Reduction</u>	<u>% Reduction from 2011</u>	<u>% Reduction from 2012</u>	<u>MOU Funded 2013</u>
Straight Time Hours	51,954	44,736	-10,200	-19.6%	-22.8%	
Overtime Hours	2,510	3,080	-2,125	-84.7%	-69.0%	
Number of Hours	54,464	47,816	-12,325	-22.6%	-25.8%	
FTE (based on 1700 hrs)	32.0	28.1	-7.3	-22.6%	-25.8%	11.0
Total Cell 911 Call Volume*	330,320	264,363		20.0%		
All Calls In/Out*	571,607	456,441		20.1%		

* 1st 10 months, year to year.

Source: Ceridian time records, MOU terms, Office of the Sheriff call data.

Our analysis leads us to the conclusion that the Office of the Sheriff's budget and staffing patterns are complex. As such, full discussion of initiatives by all affected parties is essential in arriving at the true impact of any decision affecting the Office of the Sheriff's budget.


 Scott B. Manske

SBM/cah

- cc: Milwaukee County Board of Supervisors
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Proposed MOU Savings from 2012 Adopted Budget

Attachment 1

	Org Unit	Reduced Expenditures	
	4029	\$ (314,762)	Abolish 5.0 FTE Telecommunication positionss
	4029	\$ (99,270)	Abolish 1.0 FTE Dep. Sheriff Sgt.
	4029	\$ (14,688)	Reduced Overtime for Communications
Communications Sub-Total	4029	\$ (5,030)	Reduced Shift Differential and Special Premium
	4019	\$ (2,239,089)	Abolish 25.0 FTE Dep Sheriff 1 positions
	4019	\$ (198,540)	Abolish 2.0 FTE Dep Sheriff Sgt. Positions
	4019	\$ (32,298)	Abolish 1.0 FTE Parking Checker Hourly position
	4019	\$ (387,108)	Eliminate Overtime and Special Premium costs
	4019	\$ (21,046)	Eliminate Uniform Allowance, Educational Bonuses and Lngeviti
	4019	\$ (33,681)	Eliminate Services and Commodities costs
	4019	\$ (44,707)	Eliminate crosscharges for fleet maintenance
	4019	\$ 38,000	Revenue offset for reduced parking citations
	4019	\$ 60,000	Revenue offset for reduced special events fees
Park Patrol/TEU Sub-Total		\$ (2,858,469)	
Total Net Reductions	Total	\$ (3,292,219)	

	Org Unit	Increased Expenditures	
	4000	\$ -	Increased Overtime compared to 2012 Adopted Budget
	5600	\$ -	Increased Private Security for Transit
	1975	\$ 1,663,062	City of Milwaukee Compensation
	1975	\$ 125,000	Municipality Compensation
Total Increased Outlays	Total	\$ 1,788,062	

Total Net Savings from 2012 Adopted Budget \$ (1,504,157)