

## Boston Police Budget in Context

*Setting the stage for future discussions about spending on public safety*

The FY21 budget, approved by the City Council on June 24<sup>th</sup>, reallocates \$12M from the Police Department’s overtime budget to other spending areas, reducing budgeted overtime 20% from \$60M to \$48M. The \$12M will go towards initiatives both within the Police Department and other city departments: Public Health Commission initiatives (\$4M), economic development and minority and women-led business support (\$2M), housing and homelessness resources (\$2M), mental health services through partnership between the Police Department and the Boston Medical Center Emergency Services (BEST) Program (\$2M), and funding for community programs (\$2M).

The reallocation of the \$12M sets the stage for a larger discussion about how City resources will be directed to law enforcement and other departments providing support to Boston communities.

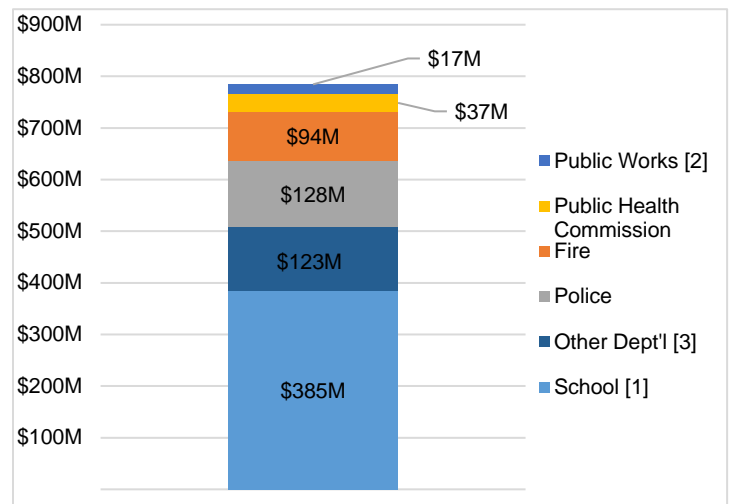
### City and Police Department Trends

Boston’s General Fund spending has grown by \$1.19B or 49.0% from FY11 through the recently approved FY21 budget. Over the same period the Police budget grew by \$128.4M or 46.6%, from \$275.8M to \$404.2M.

The increase in Police spending from FY11-FY21 accounts for 16.5% of the total growth in all city departmental spending over the same period. In comparison, the Boston Public Schools (BPS) accounted for 49.5% of the overall increase in all departmental spending from FY11-FY21, Fire for 12.0%, and the Public Health Commission and Public Works Department accounted for 4.7% and 2.2%, respectively. All other departments combined accounted for 15.8%.

The Police Department is the second largest City department in terms of both spending (\$404.2M) and personnel (2,896 full-time equivalents (FTEs)), making up 16.9% of departmental appropriations and 11.1% of the City’s total General Fund appropriations in FY21. The BPS, the largest department in the City with a FY21 budget of \$1.26B, accounts for 34.8% of City spending (31.1% not including school health insurance costs).

### Snapshot of Departmental Spending



[1] Does not include school health insurance costs.

[2] Includes snow removal.

[3] Other Departmental includes all City departments other than the top four broken out in this chart

## Personnel spending

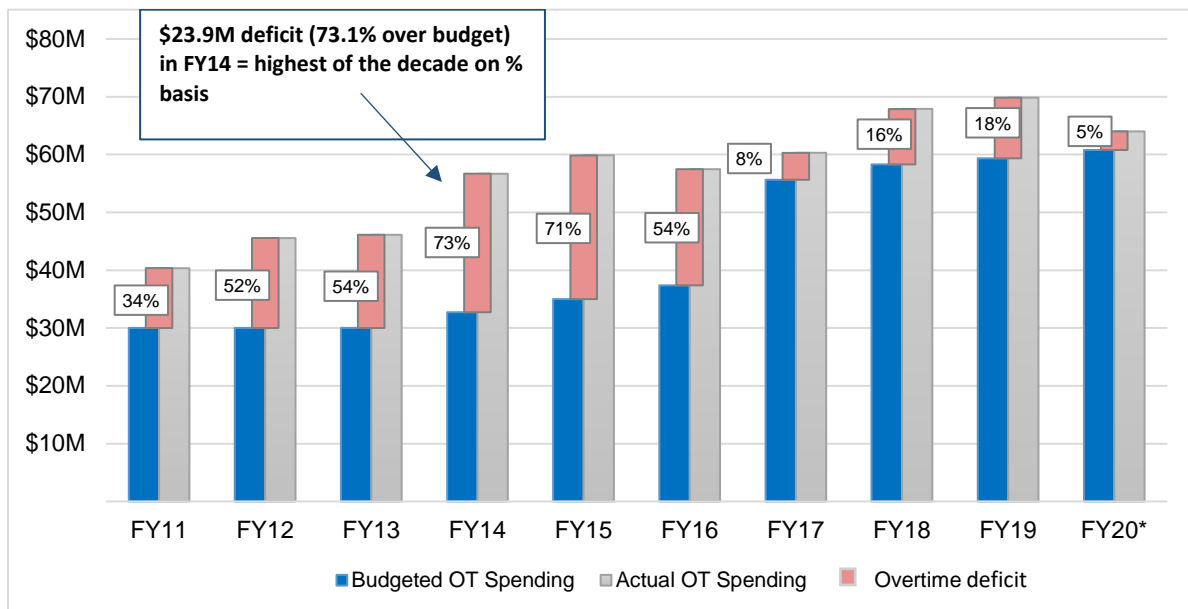
Approximately 67% of Boston’s FY21 budget is dedicated to salaries and benefits. As is the case with most City departments, spending on personnel makes up the most significant share of the Police Department’s total annual spending. Police compensation, including salaries and overtime, accounts for 89.8% of the Department’s total FY21 budget. From FY11 to the FY21 approved budget, Police salaries and overtime increased by 45.5% from \$249.4M to \$362.9M. However, since FY11, the total number of personnel has stayed relatively level around 2,900 FTEs.

## Overtime

Over the last decade, Police annual overtime spending has made up between 58% and 63% of the City’s total spending on overtime. The \$12M reduction in the Police overtime budget reduces the Department’s share of total City overtime from 63.5% to 51% for FY21. For comparison, the next largest overtime budget is Fire, which accounts for 27.1% of the City’s FY21 overtime budget (\$25.9M out of \$95.7M budgeted for all departments).

Overtime expenditures have been the most significant driver of the Police Department’s annual department budget deficits in recent years. Over the last decade, annual Police overtime costs have consistently exceeded what was budgeted. After incurring a decade-high of \$24.9M of overtime costs in excess of budgeted spending in FY15—70.9% above what was budgeted that fiscal year—the City implemented initiatives to control public safety overtime spending, with focus on Police. From FY15 to FY16, actual Police overtime spending fell by 4% or \$2.4M, from \$59.9M to \$57.5M. In FY17, the City significantly increased the Police overtime budget by \$18.3M or 49.0%. That year, the City incurred a decade-low deficit of \$4.7M (8.4%) over budget, though actual police overtime spending increased 4.9% or \$2.8M from FY16 to FY17. Overtime spending continued to increase over subsequent years, creeping up to 18% or \$10.5M over budget in FY19. As of May 2020, with one month remaining in FY20, Police overspent its overtime budget by 5% or \$3.2M.

### Police Overtime Spending: Budgeted v. Actual Overtime



\*FY20 reflects figures as of May 2020

## Controlling Overtime Costs and other Police Spending

Management of Police overtime costs continues to be a unique and chronic challenge for the City. Overtime spending can vary significantly based on unanticipated public safety needs in a given year. Careful monitoring and stronger enforcement of management controls will help to address the trend of overtime spending over budget. This includes more stringent oversight of injury leave and replacement overtime. Responding to calls for a wide range of community needs beyond public safety can keep department resources stretched. There are roles for which sworn officers aren't necessary and might be better suited for civilian staff. Negotiations for the next police union contracts (the four biggest contracts expired on June 30, 2020) are an opportunity to address contract provisions that contribute to overtime spending challenges.