

January 26, 2021

MEMORANDUM

To: Public Safety and Human Services Committee
From: Greg Doss, Analyst, and Aly Pennucci, Budget Manager
Subject: Council Bill 119981

On January 26, 2021 the Public Safety and Human Services Committee will discuss [Council Bill \(CB\) 119981](#) which would cut \$5.4 million from the Seattle Police Department's (SPD's) 2021 Adopted Budget and add \$5.4 million to Finance General to implement recommendations stemming from the City's Participatory Budgeting process. A second hearing on CB 119981 is anticipated on February 8, 2021.

This memo:

- Briefly summaries CB 119981;
- Provides background information that prompted introduction of CB 119981;
- Describes Central Staff's analysis to date; and
- Outlines next steps.

Bill Summary

CB 119981 would amend the 2021 Adopted Budget as follows:

1. Cut \$5.4 million from SPD's General Fund (GF) appropriations;
2. Add \$5.4 million to Finance General (FG) to fund recommendations stemming from the City's Participatory Budget process; and
3. Impose the following proviso on the \$5.4 million in FG:

"Of the appropriation in the 2021 budget for the Finance General, General Purpose Budget Summary Level (00100-BO-FG-2QD00), \$5,388,072 is appropriated solely to implement actions recommended to the City from the Participatory Budgeting process and may be spent for no other purpose. Furthermore, none of the money so appropriated may be spent until authorized by future ordinance. Council anticipates that such authority will not be granted until the Executive submits to the Council a plan for spending the funds in accordance with the Participatory Budgeting recommendations."

Background:

[Resolution \(RES\) 31962](#), adopted by the Council on August 10, 2020, stated that the Council would not support any budget amendments to increase the SPD budget to offset overtime expenditures above the funds budgeted in 2020 or 2021, expressed the Council's intent to

reduce SPD's budget in 2021 in phases, and to increase funding for community-led research and participatory budgeting.

On December 14, 2020, the Council passed the 2020 Fourth Quarter (Q4) Supplemental Budget Ordinance ([ORD 126257](#)), which included \$5.4 million in new GF appropriation authority for SPD for the following three items:

1. FEMA Reimbursement (\$1.9 million): The Federal Emergency Management Agency (FEMA) Public Assistance Program provides funding to support eligible costs related to the Coronavirus Pandemic. The Executive had requested appropriation authority to cover FEMA reimbursement for \$1.9 million for (1) approximately \$1.0 million for overtime activities that include planning, staffing and traffic direction at first responder testing sites and backfill for individuals on leave due to COVID exposure; and (2) approximately \$900,000 that was used for COVID related emergency supplies including personal protective equipment.
2. Paid Parental Leave backfill (\$1.9 million): The Executive requested appropriation authority to reimburse SPD for costs associated with employees on Paid Parental Leave. The funding for this request was part of a General fund reserve balance that was also appropriated for the same purpose in the Seattle Fire Department and Seattle Law Department.
3. Separation Pay (\$1.6 million): The Executive requested appropriation authority to cover unforeseen expenditures related to separation pay. Separation pay has increased because more officers have left the department than projected, and separating officers receive compensation for unused vacation and compensatory time.

Although the request to add \$5.4 million to SPD's 2020 Budget for these specific activities was not directly in conflict with Resolution 31962, the sponsors of CB 119981 position, as stated in the recitals to CB 119811, was that:

- SPD would have had sufficient appropriation authority to cover the \$5.4 million had it not overspent its overtime budget, due largely to over-deployment of officers during the largely peaceful demonstrations in the summer of 2020, including a deployment of officers that exceeded \$10 million in overtime costs in less than 60 days; and
- That there would be salary savings in SPD's budget achieved in 2021 due to higher than anticipated attrition that has already occurred in October 2020 and may continue to occur during November 2020 and December 2020.

As such, the same day the Council passed the 2020 Q4 Supplemental Budget ORD, the Council introduced CB 119981 that would cut \$5.4 million from SPD's 2021 budget to offset the increase in 2020, redirecting that funding to support the participatory budgeting work consistent with RES 31962.

In addition to the background actions described above, the Council included in the 2021 Adopted Budget a proviso that restricts \$5 million of SPD appropriation authority until it is authorized by a future ordinance (Council Budget Action (CBA) [SPD-011-B-002](#)). The CBA assumes that SPD will realize up to \$5 million in sworn salary savings in 2021 due to differences between staffing projections and actual staffing. The CBA also states that if SPD does not realize as much as \$5 million in salary savings, then it is the intent of the Council to pass legislation during 2021 lifting this proviso and adding funds to address recommendations made through the participatory budgeting process. This is noted here as salary savings is discussed later in this memo.

Analysis:

Separations and Funding for Sworn Offices

SPD separated a total of 186 officers in 2020, which is more than twice the number of separations that were projected at the beginning of the year. The 2021 Adopted Budget, passed on November 23, 2020, did not fully account for the extraordinary number of officer separations that occurred late in 2020. Therefore, the 2021 Adopted Budget includes funding for salary and benefits for officers that are no longer on the force.

Central Staff estimates that the unanticipated additional sworn separations could result in as much as \$7.7 million in salary savings in 2021. However, that will be offset at least in part by the separation pay needed for additional departures that are now expected in 2021. (estimated to be about \$1.1 to \$1.8 million).¹

Funding for Sworn Staff and Recruits:

The 2021 Adopted Budget included funding for sworn staff and recruits at an annual average of 1,343 FTE,² enough to support 1,286 Fully Trained Officers³ and to deploy 1,222 Officers In-Service.⁴ The adopted budget also included funding to support 114 hires (assuming that there is a like number of separations through retirements or resignations).

Central Staff analyzed SPD's 2020 year-end staffing report and, due to the extraordinary officer separations, estimates that the Department will need funding to support no more than 1,289 average annual FTE, which would fund 1,220 Fully Trained Officers and allow SPD to deploy 1,139 Officers In-Service⁵ (this analysis is what informed the estimated \$7.7 million in salary

¹ The 2021 Proposed Budget assumed approximately 89 separations. The 2021 Adopted Budget assumes 114 separations and does not include enough funding to cover SPD's costs for separation pay.

² Annual average FTE is a measure of the salary and benefits needed to pay all fully trained officers, student officers and recruits.

³ Fully Trained Officers: total count of sworn personnel who have successfully completed Phase II -Field Training

⁴ Officers In-Service: total count of Fully Trained Officers less those out on disability or extended leave.

⁵ Due to the unprecedented number of officer departures, SPD is no longer including forward-looking projections in its sworn monthly staffing reports. Central staff have projected 2021 salary savings and officer metrics by assuming that the Department makes 114 hires and incurs 114 separations at an even distribution throughout 2021. This analysis assumes the number of separations in Council Budget Action SPD-025-B-002.

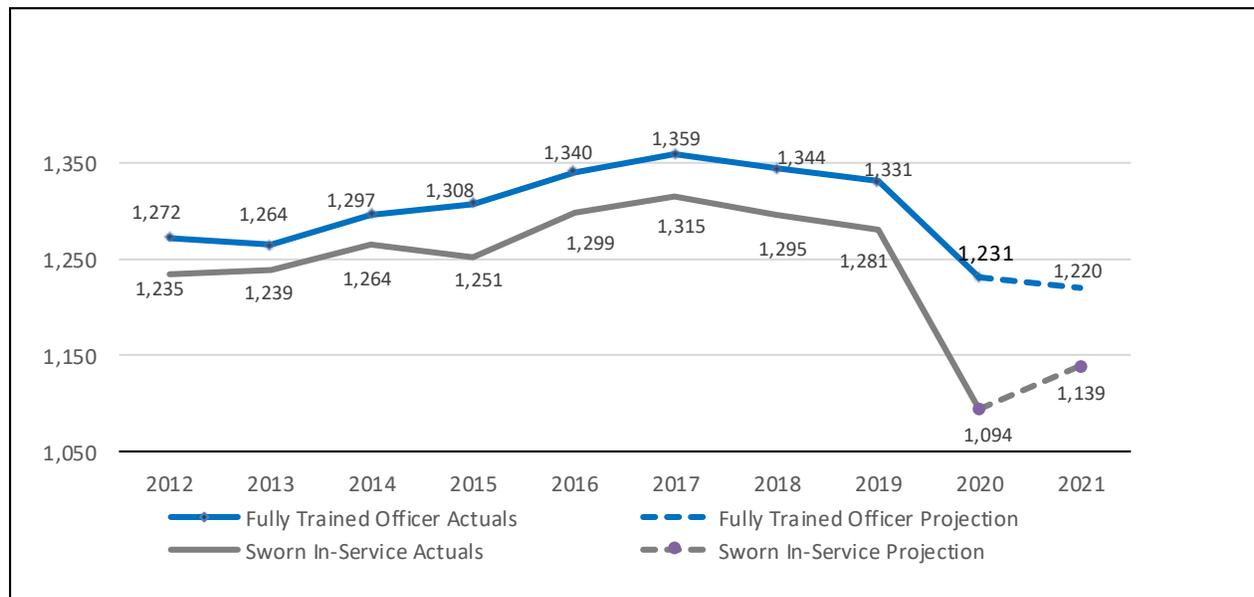
savings described previously). This estimate assumes (1) 114 hires and separations as noted above; and (2) that the monthly distribution of officer separations will return to historical averages and will reach 114 retirements or resignations by December 31, 2021.

Table 1: Number of FTEs Funded

	2021 Adopted Budget	Adjusted Based on CS Analysis	Difference
Average annual FTE	1,343	1,289	54
Fully Trained Offices	1,286	1,220	66
Officers-in-Service	1,222	1,139	83
New Hires	114	114	-
Assumed Separations	114	114	-

Chart 1 below shows a nine-year history of SPD staffing metrics. The 2021 Officer In-Service projections are based on SPD’s estimate of the number of Fully Trained Officers less the officers that are absent on disability or extended leave. The divergence from historical patterns reflect the fact that 137 officers were out on disability or extended leave at year-end. January 2021 data indicate that 143 officers are out on disability or extended leave.

Chart 1: Fully Trained Officers and Officers In-Service 2012-2020



Sworn Staffing Impacts:

SPD’s quarterly point-in-time counts of 911 responders, a good measure of Patrol strength, was 588 on December 31, 2020.⁶ This is down from the 668 responders that were reported on

⁶ The 588 total is a combination of 511 Officers and 77 Sergeants. (See Appendix 1 and Appendix 2)

September 30, 2020 and reflected Interim Chief Diaz's movement of 100 officers out of specialty and investigative positions and into 911 response positions. Service impacts (e.g., changes to 911 call responses or investigative case clearance rates) are not described in this memo but are addressed by SPD staff in Attachment 1.

Discussion:

SPD staff indicated that the \$5.4 million cut to SPD's 2021 Adopted Budget could be absorbed by the salary savings achieved that would have supported those officers that were not expected to separate from SPD in 2020.

However, this would leave no flexibility for the department to manage any unanticipated or unbudgeted costs in 2021 and could result in future appropriation requests that would require Council approval. SPD expects that it will continue to experience call response issues and there will be additional reductions in services due to these increased separations, combined with the proposed \$5.4 million cut. With that in mind, SPD has requested consideration of the following funding proposals to help mitigate service impacts; this would require a reduction or elimination of the \$5.4 million cut to SPD's budget proposed in CB 119811:

- \$1.1-\$1.8 million for separation pay;
- \$1.4 million for civilian hires; and
- Funding for technology upgrades (Amount TBD: SPD staff are working to determine this amount)

More details on the fiscal impacts and the service impacts associated with the unanticipated separations and budget reductions, and these specific funding requests, are described in more detail in the SPD memo provided in Attachment 1.

Next Steps:

The Public Safety and Human Services Committee will consider CB 119981 again on February 8, 2021. Committee members may wish to consider the following prior to the next committee meeting:

1. Reducing or eliminating the proposed \$5.4 million cut to SPD's 2021 budget and allowing SPD the flexibility to use those funds for:
 - a. Additional funding for separation pay, civilian hires and technology upgrades;
 - b. Overtime costs associated with patrol augmentation;
 - c. Special events in case a COVID vaccine allows for a resurgence in special events late in 2021; and/ or
 - d. Council identified priorities that address other needs in SPD or services that are provided by another City department.

2. Reducing or eliminating the proposed \$5.4 million cut to SPD's 2021 budget and imposing a proviso on remaining funds to provide more time to better understand what other funding may be needed in the department or elsewhere in 2020.

In addition to these considerations, staff will prepare a few technical amendments to ensure that any reductions to SPD's budget are cutting from the correct budget summary level, to correct a drafting error in the format of the appropriations table within the bill, and to correct the specific fund that is restricting by one proviso related to the Human Services Department 2021 budget.

Appendices:

1. SPD Patrol Staffing Report (12-31-2020)
2. SPD Patrol Staffing Report (9-30-2020)

Attachments:

1. SPD Memo on CB 119981

cc: Dan Eder, Interim Director

Appendices 1 and 2: SPD Patrol Staffing Reports from 12/31/20 (Appendix 1) and 9/30/20 (Appendix 2)

These reports include the following:

- Personnel who are unavailable due to vacation, training, limited duty, or short term illness or injury, which is addressed by shift relief analysis;
- Half time officers;
- Officers in acting sergeant assignments (counted as sergeants); and
- Phase III student officers, who have completed all officer training yet remain in probationary status.

The report excludes the following:

- Phase I (recruits) and Phase II student officers;
- Precinct detectives; and
- Personnel who are on extended sick leave or activated military leave.

Appendix 1: Patrol Staffing Report 12/31/20

Job Categories	CITYWIDE RESPONSE SECTION		EAST PCT		NORTH PCT		SOUTH PCT		SOUTHWEST PCT		WEST PCT		Grand Total
	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	
911	10	81	11	68	21	124	13	86	8	57	14	95	588
Beats											2	9	11
Seattle Center											1	2	3
Stationmaster						1				1		1	3
Grand Total	10	81	11	68	21	125	13	86	8	58	17	107	605

Appendix 2: Patrol Staffing Report 9/30/20

Job Categories	CITYWIDE RESPONSE SECTION		EAST PCT		NORTH PCT		SOUTH PCT		SOUTHWEST PCT		WEST PCT		Grand Total
	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	Sergeant	Officer	
911	11	90	9	77	21	140	14	106	9	68	13	110	668
ACT										1			1
Beats				2		1					2	14	19
Precinct Support								1					1
Seattle Center											1	2	3
Stationmaster						1				1			2
Grand Total	11	90	9	79	21	142	14	107	9	70	16	126	694



January 25, 2021

MEMORANDUM

To: Greg Doss and Aly Pennucci
Council Central Staff

From: Angela Socci, Executive Director of Budget/Finance
Seattle Police Department

Subject: CB 119981

I. Executive Summary

On Tuesday, January 26, the Public Safety and Human Services Committee will consider CB 119981, which reduces appropriation in the Seattle Police Department's (SPD) 2021 Adopted Budget by \$5.4 million and increase appropriations in Finance General for participatory budgeting by the same amount and imposes a proviso. SPD respectfully submits this memorandum to describe the impacts of further cuts to the department's budget. The department is still assessing the effective impacts of the prior budget cuts and provisos. The preliminary results of that work are addressed herein.

To summarize:

- There will likely be additional salary savings available in 2021 due to late separations in 2020. However, if this vacancy savings is cut from the budget, SPD cannot absorb any unanticipated or unbudgeted costs in 2021.
- SPD is experiencing an extreme staffing shortage, the future effects of which are not fully known. The department has implemented some mitigation options (e.g., transfers into Patrol) to reduce the impact to emergency response services, namely 911 response. Other mitigation options, such as hiring more civilian support, are limited due to lack of budget resources and budget use restrictions.
- The department is committed to operating within its reduced overtime budget in 2021. To achieve this, SPD's capacity to work all types of events may be drastically reduced in 2021.
- The budget issues presented herein could be addressed through the supplemental budget process or separate legislation later in the year when more information is known.
- SPD will request funding from Finance General set aside for paid parental leave backfill in 2021. SPD's 2021 budget was developed with this funding transfer assumed. To increase transparency regarding this fully-anticipated allocation of centrally-held paid-parental resources, CBO will include this request in first supplement budget ordinance that will be submitted to Council.

II. Background

Prior to the 2021 budget process, SPD was asked to use salary savings to cover personnel costs such as overtime, separation pay and other benefits. This approach generally allowed the department to have flexibility to adjust account-level budgets to meet operational needs. The use of salary savings to cover such unanticipated or unpredictable costs is standard practice throughout the City.

In the 2021 budget process, City Council made a policy decision to move away from this budget model to a more restrictive model that requires greater adherence to account-level budgets. During budget deliberations, Councilmembers expressed a strong preference for greater visibility into the department's budget and expenditures and more opportunities to review and approve specific budget appropriations in advance of work being performed.

III. CB 119981

The stated intent of CB 119981 is to reduce SPD's budget by \$5.4M in 2021 to counteract the department's request for an equal appropriation in 2020 to reimburse the department for expenses tied to paid parental leave benefits, cash outs for higher-than-anticipated separations and citywide COVID response, including overtime for staffing testing sites and purchase of PPE for first responders. This bill has also been linked to SPD's anticipated staffing shortage attributable to additional sworn separations in the fourth quarter of 2020.

The department is providing this comprehensive overview of the 2021 budget to help inform Council's decision-making process. *While the impact of this cut cannot fully be known at this point in the year, the department herein outlines several budget issues for consideration alongside the subject bill.* Staffing and financial reports have also been provided for reference.

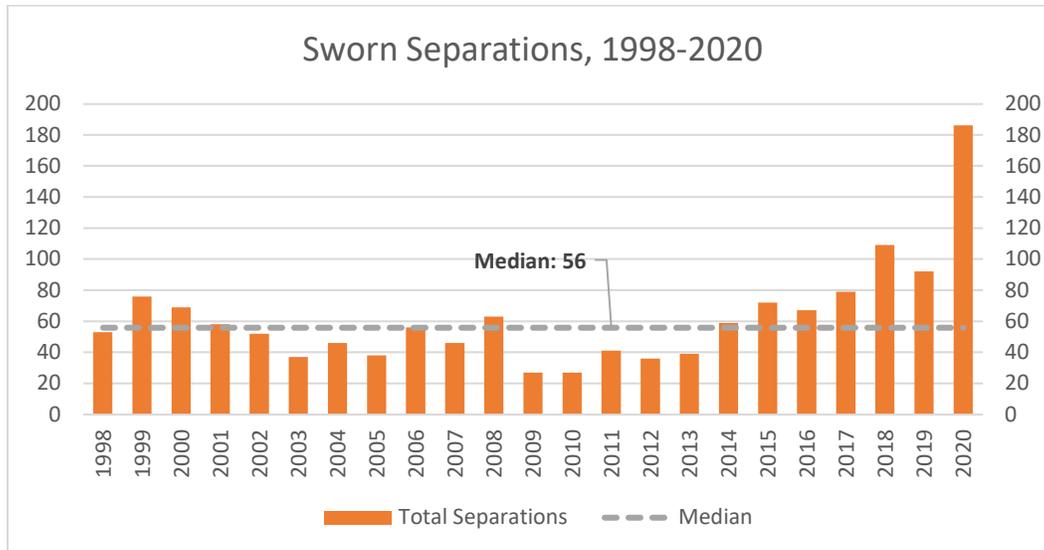
NOTE: The COVID pandemic continues to stretch department resources, City operations and revenue streams. With the arrival of the COVID vaccine, some return to normalcy may be achieved in 2021. However, it is likely the department will continue to incur expenses related to COVID. CB 119981 was initiated, in part, because the department sought a year-end appropriation in 2020 for FEMA-reimbursable COVID-related expenditures. SPD will continue to incur costs in 2021 and will require future budget appropriations for these costs, the total of which is not known at this time and therefore excluded from this issue paper.

Also, the City has not closed the books on 2020. This impact statement does not factor in the year-end results, which will not be known until February 2021.

IV. Staffing Update

In 2020, SPD lost more officers than any other year on record. Of the 186 separations, 46% had 7 years of service or less. Combined with a hiring freeze, SPD realized a net loss of -135 officers. In a typical year, SPD would use its staffing plan (i.e., staffing model) to determine the number of hires needed to backfill for anticipated losses. This same tool has been used since 2002 with positive results until 2018 when attrition greatly exceeded calculated projections. Because it takes approximately 18 months to recruit, hire and train new officers, the efficacy of the staffing plan relies heavily on the department's ability to project future separations. Sworn separations were steady and largely predictable for the past two

decades. Attrition slowed predictably during and after economic recessions, but the proportion of fully trained leavers was in line with original attrition forecasts until 2018 when SPD lost over 100 officers, exceeding the annual attrition forecast by 51%.



The department has been asked by Council to provide updated attrition projections for 2021 for consideration alongside CB 119981. This is not possible given the variance seen in the last three years. Past attrition patterns no longer hold and advanced forecast models (e.g., autoregressive integrated moving average (ARIMA)) will not generate an attrition forecast because the inputs are not valid. Without an attrition forecast, the staffing model is not usable as a forecasting tool.

Additionally, the department's 2020 hiring projections are still in development pending the results of ongoing discussions with the Washington State Criminal Justice Training Center regarding SPD-only Academy classes. The department has contracted with the National Testing Network (NTN) to test new candidates in lieu of holding in-person tests during a pandemic. The test results for the NTN applicants will be available in February 2021. The department does not have data on the conversion rates of online applicants as this is a new process. That said, SPD has 26 candidates already scheduled for Academy starts in February 2021.

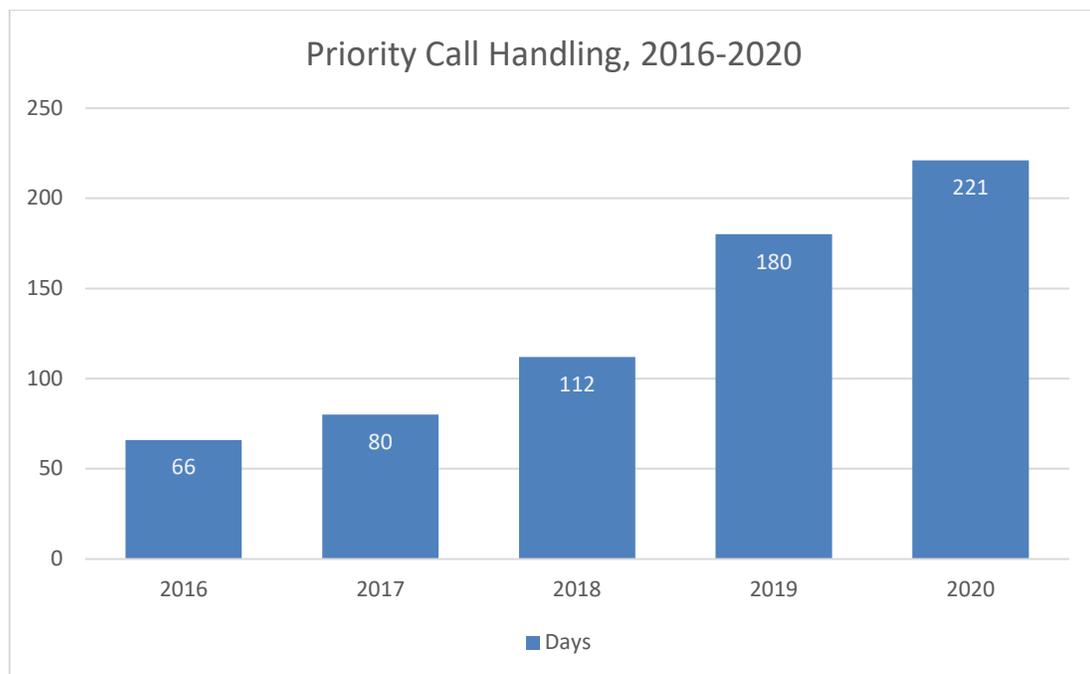
For now, the staffing model will only be updated with actuals until more information regarding future attrition and Academy availability is known. While SPD cannot provide staffing projections for the whole of 2021, the department can confirm that the loss of 49 fully trained police officers in the last two months of 2020 could generate a significant amount of salary savings in 2021. Some of these separations were already accounted for in the 2021 budget. We also know from recent history that high attrition comes with additional separation pay and overtime backfill costs. See page 9 for more information regarding separation pay.

Staffing Shortage

SPD service levels will continue to decrease absent net new hires, meaningful changes to the list of police duties, an increase in overtime usage or a combination of these workload/staffing variables. The net change in deployable sworn personnel from December 2019 to December 2020 equates to a loss of 298,000 productive hours. The department and City cannot hire its way out of a police staffing shortage of this magnitude, and the remaining officers cannot be expected to completely fill this gap on overtime at the expense of employee wellness. As of today, alternative response models have not been established and emergency response duties have not been formally cut or redistributed to other entities.

Chief Diaz took steps in 2020 to move 100 officers into Patrol to address staffing and workload issues. To achieve this level of augmentation, problem-solving Community Police Teams were disbanded along with precinct-based Anti-Crime Teams. The Traffic Section was reduced to 50% capacity. Likewise, Harbor Patrol is down 40% due to attrition and could lose the ability to respond to certain types of maritime calls for service.

Despite efforts to address the staffing shortages in Patrol, SPD declared “priority call handling” status on 221 of 366 days last year, meaning the department delivered a reduced level of 911 services for at least part of the day because on-street resources from one or more precincts were depleted significantly below normal staffing. Under this circumstance, certain categories of callers are requested to re-contact SPD. They will be given an approximate time when routine services will be restored. Individual contacts are not logged. The 2020 level of priority call handling (in days) represents a 97% increase from 2018 and a 176% increase from 2017.



As mitigation options become increasingly limited, the department will be forced to make even more difficult decisions about what police services can be continued. The COVID pandemic has offered some relief in the form of reduced special event workload and decreases in certain enforcement activities. As staffing numbers continue to decline and budget resources are restricted and reduced in 2021, SPD will be forced to make additional reductions to investigative and specialty functions, most of which have already been impacted by attrition and/or prior transfer orders.

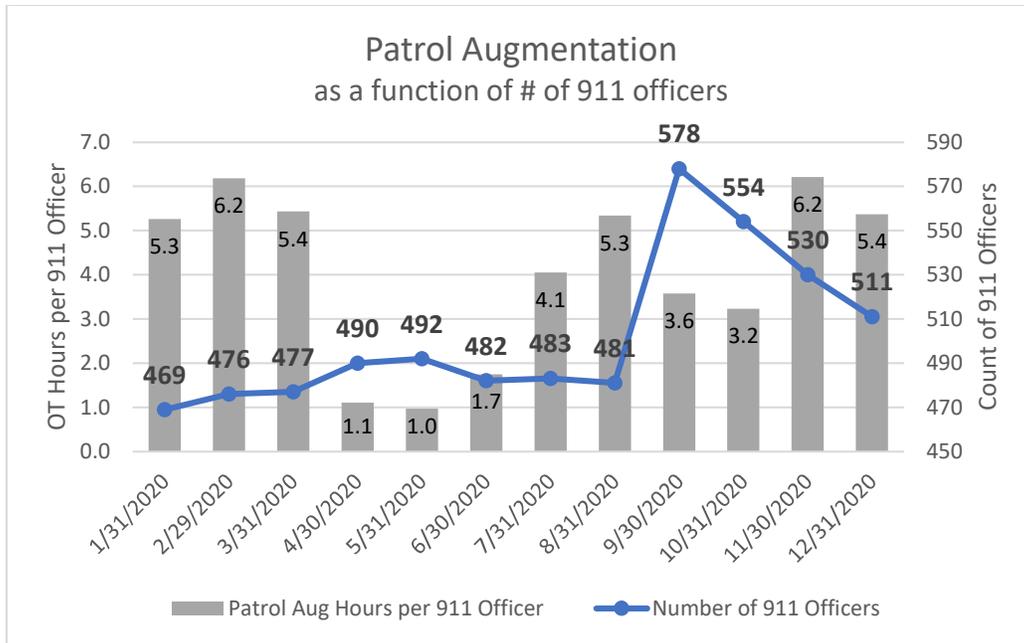
V. Budget Implications

With the \$5.4M savings generated by the year-end sworn separations, the department could potentially mitigate additional service impacts in the near term through various resource supplements described in the following sections. Without any additional resources or relief, the City must prepare for further, more drastic service impacts, such as increased response times, absence of police presence at City events (permitted and unpermitted events and demonstrations) and more instances of priority call handling.

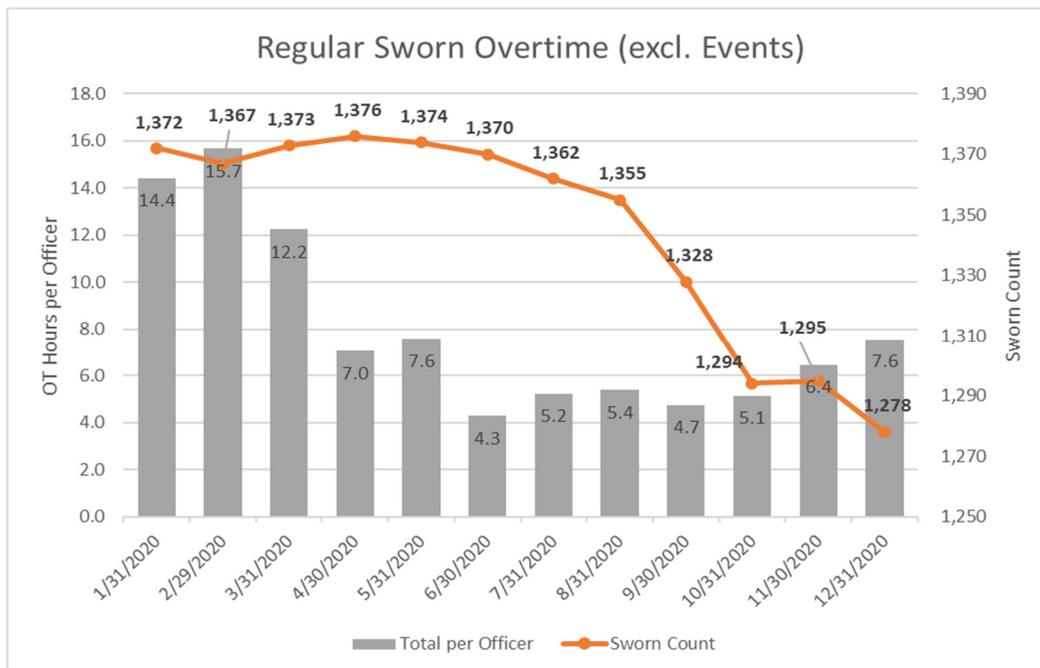
Overtime

For the last decade, it has been common practice for SPD to offset staffing shortages with overtime. The cost of a single overtime hour, typically paid at 1.5x an employee's pay rate, is actually less than the cost of a regular time hour when benefits are factored into the equation. Not only is it less expensive, it is more expedient to deploy an existing, fully trained police officer on overtime than it is to recruit, hire, outfit, train and deploy a new police officer to address increasing demands for police services. The department's capacity is expanded through the use of overtime. In fact, most ideal staffing model assessments/formulas call for a certain amount of overtime to meet overall demand, so that resources can be flexible based on need.

Under normal circumstances, overtime enables the department to do more work with fewer staff resources. That said, there are limits to how much overtime can be used to offset staffing shortages. Close monitoring of overtime usage has shown a considerable decrease in the number of overtime shifts being used in some areas where staffing has decreased. In other areas, overtime usage is increasing as staffing levels decline. The chart below shows a per capita increase in patrol augmentation overtime as precinct staffing levels decreased in the last quarter of 2020. Note, these staff counts include officers assigned to the Community Response Group created September 30, 2020. The sergeants who supervise 911 response officers have been excluded.



On the other hand, a look at all sworn overtime (excluding event overtime) in 2020 shows a lesser increase in overtime usage despite a dramatic decrease in the total number of sworn officers. It should be noted that the high levels in January and February must be considered in the face of the need for and calls for extra police presence in downtown, and investigative actions, following the mass shooting on January 22, 2020.



More work will need to be done to determine the relationship between staffing levels and overtime usage, especially where overtime is needed to meet minimum staffing requirements. There are analytic tools that can forecast likely costs of staffing shortages, which SPD seeks to use.

Finally, the department's overtime budget for 2021 was reduced by \$7.9M compared to the 2020 adopted overtime budget. As a result, SPD must prioritize overtime needs and expenditures and plan for contingencies in order to operate within the overall budget parameters set for this year. The department is still developing its overtime allocations for 2021. Early analysis suggests that the department has insufficient budget to staff all special events, meaning SPD may not be able to provide traffic control or other police services at all permitted or non-permitted special events in 2021.

Event overtime is being closely tracked and will be reported to Council on a recurring basis with the expectation that unbudgeted event overtime may require a future appropriation increase, including but not limited to overtime used to staff revenue-backed sporting events, City permitted events requiring police presence and non-permitted events with a high likelihood of traffic disruption.

Civilian Support

In a normal year, public-facing civilian personnel like Crime Prevention Coordinators or Community Service Officers could help supplement precinct-based community safety services. However, SPD's budget for civilian personnel was reduced by over \$4M in 2021. To achieve this cut, the department must maintain a minimum of 40 civilian vacancies through the year.

SPD has several vacant civilian positions that could be funded through \$1.4M in sworn salary savings. The positions below provide important services and are considered a high priority to the department. SPD has been unable to fill most of these positions due to the ongoing hiring freeze initiated in 2020 and further budget cuts and provisos imposed in 2020 and 2021. Filling these positions would partially offset some of the impacts caused by the sworn staffing deficit:

- *Crime Prevention Coordinator (CPC) – North Seattle (2.0 FTE), one new and one vacant since April 2020, \$236,378*
The department currently has 5 CPC positions. CPCs work with businesses, residents and crime victims to develop crime prevention strategies, disseminate information and promote community collaboration.
- *Community Service Officers (CSOs) – citywide (4.0 FTE) – one vacant since August 2020, 1 vacant since September 2020, 2 positions never filled, \$467,628*
These four positions would join the newly formed CSO unit, currently comprised of 2 squads.
- *Community Service Officer Supervisor – citywide (1.0 FTE) – position never filled, \$128,825*
This position is responsible for supervising the third CSO squad that was delayed due to the COVID pandemic and related hiring freeze.
- *Management Systems Analyst Supervisor – citywide (1.0 FTE) – vacant since November 2020, \$159,100*
This position works in the Data-Driven Policing Section and is responsible for data management, analysis and dissemination via automated internal and external dashboards. If

- this position remains unfilled, the department will struggle to meet its data reporting requirements, including Council-mandated reports.
- *Admin Staff Analyst – citywide (2.0 FTE) – NEW, \$252,682*
The department has two vacant administrative positions that could be repurposed to address SPD’s growing public disclosure backlog. Currently, the department has approximately 2,807 open requests, and the average PDR workload is estimated at 300-400 open requests per Public Disclosure Officer. In 2020, SPD received over 9,000 individual requests (as compared to 8,045 PDRs received in 2019, and 7,209 PDRs received in 2018).
 - *Sr. Management Systems Analyst – citywide (1.0 FTE) - NEW, \$149,336*
In 2021, the number of recurring and one-time reports requested by Council increased dramatically (23 in 2020 versus approx. 110 in 2021) in addition to increased reporting as part of the Mayor’s Executive Order and new Consent Decree requirements. The majority of this work is being performed by the same four Budget/Finance staff responsible for budget development and monitoring. This group does not have capacity to meet the new reporting requirements in a timely manner. This position would also support the development of automated reports and public-facing budget dashboards.

If Council cuts \$5.4M from the department’s budget via CB 119981, SPD will be unable to fill these civilian positions in 2021.

Technology Needs

The department is currently researching ways to leverage technology to address the growing staffing deficit and respond to calls for more transparency and accountability. In 2020, SPD processed 37% of its calls for service via online and telephone reporting, up 14% from 2019. Continued investment in online platforms is a cost-effective way to meet public demand for reporting services while reducing in-person police contacts.

Additionally, there is a critical need for investment in the maintenance of the Data Analytics Platform (DAP) and in new models for determining minimum police staffing (in response to questions about the appropriate size of the police department) and for predicting and guiding interventions for employees exhibiting signs they need support (in response to research findings that the threshold-based early intervention system (EIS) is relatively ineffective).¹ The department is looking to build on existing platforms, like version one of the DAP, which was instrumental in satisfying SPD’s initial obligations under the Consent Decree. DAP 1.0 has served to identify critical insights and gaps in our understanding but is based on an outdated and inefficient design, creating limitations that restrict its usefulness. DAP 1.0 was originally designed to respond to a specific set of requirements under the Consent Decree. Since then, the DAP use cases have grown dramatically as the platform was used to meet increasing demands for non-Consent Decree related information and analysis.

These new technology and automated services would help SPD rebuild community trust and promote a healthy agency culture. The referenced upgrades were identified as part of the ongoing re-envisioning work, with input from internal and external partners, and would provide invaluable insight and

¹ James, S., James, L. & Dotson, L. Evaluating the effectiveness of a police department’s early intervention system. *J Exp Criminol* (2020). <https://doi.org/10.1007/s11292-019-09397-8>

enhanced capabilities to inform this important work. The department prefers to initiate these projects immediately to avoid unnecessary delays and impede progress. An additional cut to SPD's budget in 2021 will inhibit the financing of the critical technology upgrades and improvements needed to implement community safety reforms and deliver fair and equitable police services.

Separation Pay

CB 119981 was initiated to reduce SPD's budget in 2021 for general fund reimbursement for separation pay in 2020. Due to the high number of separations in 2020 and a combined mid-year budget cut of \$19.5M, SPD was unable to absorb the increased cost of separation pay last year. Similarly, SPD will be unable to absorb the estimated \$1.1M to \$1.8M separation pay overage in 2021 due to the budget cuts already imposed during the 2021 budget process. The department could use the salary savings from officers who separated late in 2020; however, the subject cut removes that funding from SPD's budget. If the department is expected to absorb these costs in 2021, it would need to identify additional savings in other account categories. This would cause additional service interruptions and/or reductions (see above). Historically, SPD used salary savings to cover this expense.

For budget planning purposes, the department is currently using a range to estimate the cost of separation pay this year. For this estimate, the low-end sworn attrition estimate includes 79 separations and high-end includes 107. Note, recruits and Phase 2 student officers were excluded from the attrition count. The civilian separation counts were adjusted to account for the mid-year transfer of Parking Enforcement and Communications Center personnel.

2021 Budget - Separation Pay	\$898,374		
2021 Separation Pay Estimate	Avg Unit Cost	Projected Expense (est.)	Budget Shortfall (est.)
Low - 113 total separations	\$ 18,000	\$ 2,034,000	\$ (1,135,626)
High - 152 total separations	\$ 18,000	\$ 2,736,000	\$ (1,837,626)

Paid Parental Leave

The City Budget Office (CBO) has historically recommended against providing City departments with an adopted budget appropriation for paid parental leave (PPL). As a relatively new benefit, CBO did not have a methodology to predict PPL needs by department. Because of this, all appropriation for PPL is kept in Finance General and distributed based on actual utilization within the departments. Because of this, SPD does not use salary savings to cover PPL costs and will continue to ask for a supplemental budget appropriation for these costs. In 2021, the department estimates backfill cost for PPL will be around \$1.8M. This estimate is based on 2020 needs.

If SPD, alone, is asked to cover these costs with its already reduced budget and, again, will not receive funds from the Finance General set-aside, the Chief will have to identify additional service reductions to ensure the department can cover the costs of back-filling these individuals. It is important to remember that a sworn officer on leave cannot be replaced by a temporary hire given the requirements for being a sworn officer. The only way to replace an officer who normally would be on the streets responding to community calls, is to supplement that position with an officer on overtime pay. Current staffing

realities further restrict the department's capacity to operationally absorb the provision of this benefit without the use of additional overtime funds.

VI. Conclusion

It is too early in the year to determine the full impact of the proposed \$5.4M budget transfer. While salary savings may accrue in 2021 as a result of year-end attrition, the department recommends that Council give thoughtful consideration to the challenges facing the department and recognize the uncertainty surrounding the budget issues outlined above before repurposing department funds.

Attachments:

- Overtime Actuals – 2019 and 2020
- Staffing model with actuals through 2020 and template for 2021-2022
- Precinct Staffing Reports for November and December 2020
- SPD Communications Center Policy and Directive regarding Priority Call Handling