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\$23.6 million in extra pay

Taxpayers help 359 Police Dept. employees ease into retirement

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By storing up hundreds of hours of overtime and unused holiday, vacation and sick days, 359 members of the Cincinnati Police Department may receive more than six months' extra pay when they retire at a cost to taxpayers of more than \$23 million.

Of that group, 107 can look forward to at least one year's extra salary when they retire, thanks to generous contract provisions that, among other benefits, entitle officers with more than 19 years' service to nearly 10½ weeks of various kinds of time off each year, records show.

Eighteen individuals are eligible for two or more years of salary, led by Lt. David Fink, who over his 23½-year career has stockpiled more than 10,400 hours. That equals five years of work weeks worth at least \$428,899.

• http://www.enquirer.com/editions/2010/01/22/overtime_chart.jpg">See the Top 10 who will get more than \$200,000

Fink is one of 10 police veterans positioned to retire with unused compensatory and leave time valued at more than \$200,000 - money that can be taken in either a lump sum or by continuing to draw a regular check from the city after leaving the department. Thirty-six more could get \$100,000-plus checks when they retire.

Overall, taxpayers owed \$23.6 million to the 359 police officials with the department's highest compensatory and leave time totals as of last October, an Enquirer analysis found. That money is separate from the officers' pensions.

The amount eventually paid is likely to be substantially higher because officers will cash out their time at their final salary levels, which are all but certain to rise in future years.

Hundreds of officers with less than six months' leave on the books also will collect millions of dollars more for the time they are owed.

"All that comp time is contractual, but it still adds up to a big bill for the city," said Councilwoman Leslie Ghiz. "Even if it's not a problem today, it will be tomorrow."

• <http://news.cincinnati.com/article/20100124/EDIT01/1240357>" target="_new">Editorial: City's police contract is a raw deal

Steve Erie, a political science professor and urban studies director at the University of California at San Diego, offers a more blunt assessment of the police contract's overtime and comp time rules. "If you did these things in business, you wouldn't be in business long," he said.

The escalating totals stem primarily from a contract laced with liberal amounts of holidays, vacation

and sick days as well as frequent opportunities for officers to earn overtime.

Because there is no ceiling on the "comp time" most officers carry over every year, 1,000 hour-plus balances are common among the department's roughly 1,400 employees.

Under the Fraternal Order of Police's contract with the city, officers earn:

- 120 hours of comp time every Jan. 1 - time and a half based on 10 eight-hour holiday shifts. Officers who work holidays also earn their regular salary for that day, giving them pay and time off totaling 2½ times the normal rate. Some officers choose not to take off any of those yearly 120 hours, instead keeping them to cash in later.
- Thirteen days of sick time per year. That, too, may be converted to cash, with officers getting one hour of pay for every two of sick leave up to a 600-hour ceiling, or 15 weeks. If officers leave the force before retirement, they forfeit accrued sick leave.
- Annual vacation ranging from 89 hours for rookie cops to 193 hours - 24 days - for officers with 19 or more years on the force. Anyone hired before July 1997 may save up to 587 unused vacation hours, worth more than 14½ weeks' pay, while those whose career began after that date are limited to 394 hours.
- Overtime for which they may choose or are required to take comp time in lieu of immediate pay, but which may be cashed in later.

Big spenders

The department is, by far, the city's biggest overtime spender. Last year, it spent \$7 million on overtime through November, nearly as much as all other city departments combined.

Rather than being used sparingly for emergencies or staff shortages, much of 2009's police overtime and comp time was earned for court appearances, to complete paperwork or to staff sports events, concerts and other community activities.

For many officers, holiday and sick leave provisions - specifically, the ability to cash in most unused time in those categories now or later - are tantamount to an extra four to five weeks of salary annually.

"It's a classic backdoor strategy that hides the true cost of public safety staffing," Erie said.

The lucrative police contract provisions, however, are not the result of unbridled generosity on the part of City Hall, although coziness with council members strengthened the union's negotiating hand over the years.

Instead, the current situation has its origins in Ohio's very union-friendly collective bargaining law. Passed in 1984, the law took away police officers' and firefighters' right to strike, replacing it with a binding arbitration process in which a neutral arbitrator resolves labor contract issues that cannot be negotiated.

In doing so, the arbitrator, rather than seeking a compromise, must pick either the union or city position. That rigid guideline, combined with the fact that arbitrators generally side with unions, has, city leaders argue, given unions an incentive to "pile on" economic and non-economic demands when negotiations start - forcing the city to make concessions to persuade the union to withdraw an onerous request before it reaches arbitration.

Unions' demands

"Bottom line, because of Ohio state law, it is not ridiculous for unions to make ridiculous demands," Cincinnati Human Resources Director Hilary Bohannon told City Manager Milton Dohoney Jr. in a memo this month.

Over the last quarter century, that process helped fill the FOP contract with provisions that create costly obligations for taxpayers long into the future.

That is especially true for veterans, who draw the biggest annual allotments of comp time and time off. For officers with more than 19 years of service, the FOP contract puts them in the enviable position of earning up to 417 hours - nearly 10½ weeks - per year for vacation, holiday and sick time, before even an hour of overtime is factored into the equation.

By taking off only half that time annually - five-plus weeks, still more than most private sector jobs and even many public ones - officers gradually build sizable nest eggs via unused leave.

A typical case is that of Sgt. Brian Meyer, who as of October had amassed 4,003 hours, currently worth \$141,730, over the past two decades. That equals two years' pay, meaning that Meyer, hired in May 1990, is stacking up unused comp time and leave at the rate of about one year for every decade he works.

Similarly, Capt. Paul Broxterman, hired in October 1988, had 4,875 hours in his account worth \$232,248, and Chief Thomas Streicher Jr.'s 3,744 hours from his 38½ years equal a \$235,074 payday or nearly two years of continuing pay checks after he steps down, city records show.

Given their responsibilities and staffing necessities, many senior officers see their annual time off allotments pile up faster than they realistically can use them.

"You get that package"

District 5 Capt. David Bailey said that for most of his 22½-year career, he has taken off only several weeks annually. "You get that package every year, but even if I wanted to, there's no way I could be off that much," he said.

A supervisor since 1991, he said he also has been required to take comp time rather than overtime pay for court appearances, adding to his accrued leave total.

The result is that Bailey, 45, finds himself with nearly 6,400 comp and leave hours on the books, a 3-year-plus total worth \$304,806. That time probably will allow him to retire several years sooner than normal, he said.

"The money really didn't matter that much to me when I started out so I just planned to take the time," Bailey said. "I never thought about it much. I can't say it was a strategy or anything like that. It's just the way I did it, but now I feel fortunate that it might allow me to shorten my career a bit at the end."

Throughout his career, Bailey said he has been cautious about the overtime he works and that he approves for officers in his district. Overtime and comp time, though, are inevitable in police work, he said, pointing as an example to an eight-month investigation that last year led to the arrest of dozens of members of a Northside gang called the Taliband.

"I can understand people looking at this and thinking it's pretty sweet," Bailey said of the contract. "And it is a very good deal. But the community gets returns in other ways. Maybe you can't measure it in dollars and cents. But it definitely pays off."

On the table

Even relatively new officers quickly compile time.

After only 3½ years on the force, Timothy Lanter accumulated 1,134 hours - 28 weeks - today worth \$33,331, far below the eventual value if he retires from the force.

Four-year officers Jimmy Pham and James Broomes also had put aside more than six month's of time worth \$36,347 and \$30,974, respectively, cases that are more the rule than the exception.

Officers who do not want to wait until retirement to reap the financial rewards may, under the contract, each year sell back up to 80 hours of holiday comp time and, if their balance exceeds a specified level, another 80 hours of sick time.

Many take advantage of that option, earning what is essentially a four-figure bonus.

Last year, the city paid \$1.44 million to officers cashing out leave or taking off comp time. Over the preceding four years, the city's annual cost for that purpose averaged about \$1 million.

With Streicher and other top supervisors approaching retirement within the next several years, those annual payments could soar.

Tax considerations, though, will prompt many veterans to forgo an immediate lump sum in favor of continuing to draw a check after retiring for as long as it takes to exhaust their leave balances, a practice referred to as "running out the time."

One of the most effective means of reining in the hefty payments, public budget experts say, would be to limit the amount of unused time that ultimately could be cashed in, both on an annual basis and upon retirement.

"Not having a ceiling is fiscal insanity," said Jerry Newman, a professor in the University of Buffalo's School of Management. "It invites, if not abuse, at least excessive overuse" of contractual provisions governing time off, he added.

City leaders recognize that such a limit could substantially reduce the city's short- and long-term costs, but also do not underestimate the difficulty of persuading the FOP to give up an attractive benefit it already has when new contract talks start next year.

"Seeing the merit of an idea like that and how it could save the city a lot of money is one thing," said Councilwoman Roxanne Qualls. "Getting the other side to agree to it is another. But it's definitely an idea that belongs on the table. *Everything* belongs on the table."
