



Overtime Overview

A Deep Dive into NYPD Uniformed Overtime Costs

MARCH 2023

New York City's actual overtime expenditures increased over the last decade by more than \$700 million (52.5 percent), from \$1.46 billion in FY 2013 to \$2.22 billion in FY 2022.¹ The City keeps budgeting as though this increase never happened; the City overspent its overtime budget by 40 percent (\$415 million) in FY 2013, growing to 93 percent in FY 2022 (\$1.07 billion).

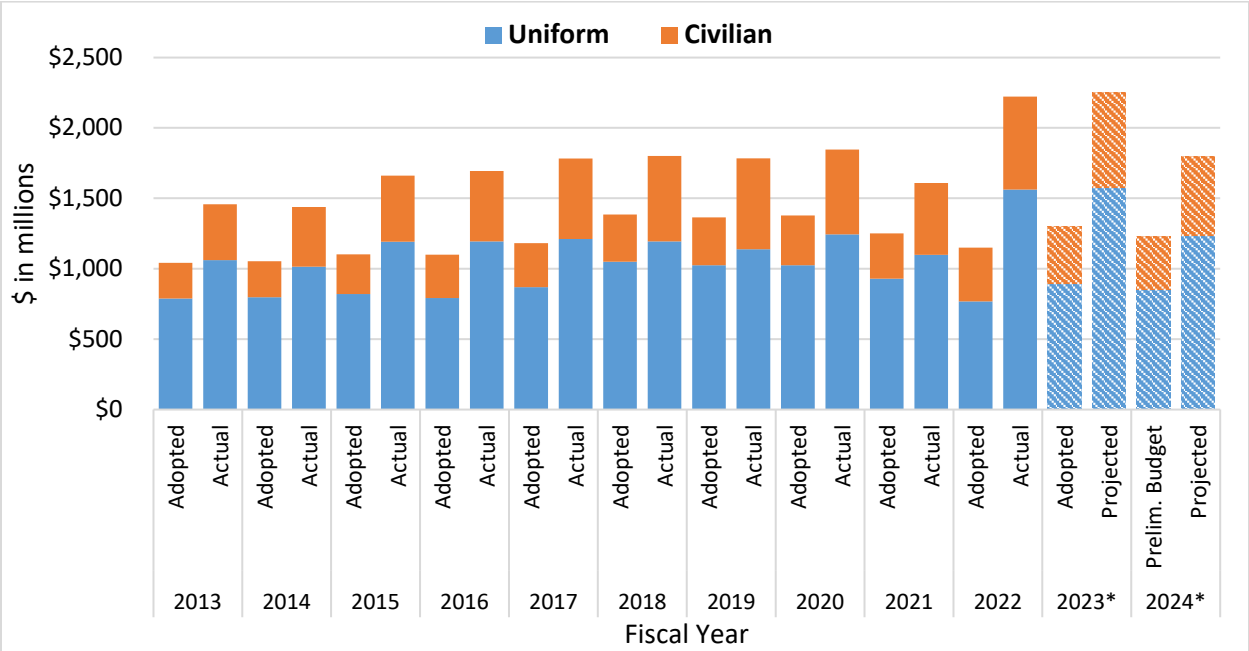
This brief explores uniformed personnel overtime at the New York City Police Department (NYPD), which has become the largest share of overtime over budget each year. More than \$300 million (30 percent) of the gap between the City's budgeted and actual overtime expenditures was due to NYPD uniformed overtime in FY 2022, while NYPD uniformed overtime accounted for 57 percent of excess overtime in FY 2021 and 40 percent in FY 2020.

¹ Overtime expenditures, as a percentage of wages and salaries, grew from 6.5 percent in FY 2013 to 7.2 percent in FY 2022.

NYC Overtime: A Decade In Review

Over the past decade, the City of New York underbudgeted overtime expenses in the budget adopted each June, ostensibly with the goal of controlling overtime usage for the coming fiscal year. Underbudgeting, however, has not been a successful tool for controlling overtime costs, as shown in Chart 1. Between FYs 2013 and 2021, actual overtime costs averaged 39 percent higher than budgeted at adoption, ranging from 29 percent higher than the FY 2013 Adopted Budget to 54 percent above the FY 2016 Adopted Budget. The FY 2022 actual overtime costs of \$2.22 billion were almost double the adopted budget estimate of \$1.15 billion. The gap between budgeted and actual overtime expenditures has remained relatively consistent for civilian overtime across the City, but ballooned for uniformed overtime in FY 2022.

Chart 1. City of New York Overtime Costs FY 2013 – FY 2024*



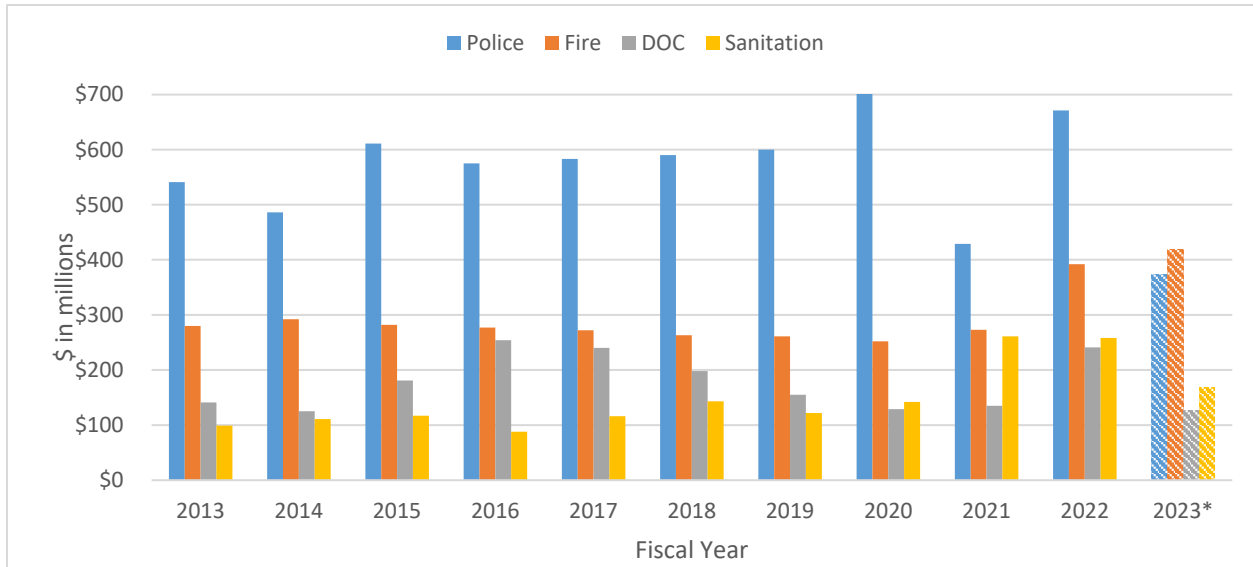
SOURCE: NYC Office of Management and Budget; NYC Annual Comprehensive Financial Report of the Comptroller; Office of the NYC Comptroller

NOTE: Includes unplanned events such as Hurricane Sandy and protests following the deaths of Eric Garner in 2014 and George Floyd in 2020. *FYs 2023 and 2024 projected values are projected by the Comptroller’s Office.

Civilian overtime costs were \$660 million in FY 2022 and averaged \$587 million annually between FY 2017 and FY 2021. In FY 2022, spending for uniformed employees’ overtime increased to \$1.56 billion after averaging about \$1.18 billion annually from FYs 2017 through 2021, and accounted for approximately 70 percent of annual overtime costs that year.

Uniformed police overtime spending on average accounts for about 50 percent of total overtime costs for uniformed employees and just about a third of total annual overtime costs. In FY 2022, the City spent \$671 million for NYPD uniformed overtime, 43 percent of the total uniformed overtime costs for that fiscal year.

Chart 2. Uniformed Overtime Costs, FY 2013 - FY 2023



SOURCE: New York City Financial Management System (FMS)

NOTE: Includes unplanned events such as Hurricane Sandy and protests following the deaths of Eric Garner in 2014 and George Floyd in 2020. FY 2023 figures are from the Fiscal 2024 Preliminary Plan.



NYPD Uniformed Overtime

The gap between NYPD’s adopted overtime budget and actual spending increased significantly for FYs 2021 and 2022. In June 2020, when the City Council adopted the FY 2021 Adopted Budget, the City reduced the budgeted amount for NYPD uniformed overtime from \$523 million to \$227 million, as part of an announced reduction in the agency’s budget. Later in that fiscal year, the City also reduced the budget for FY 2022 and the outyears of the Financial Plan to \$354 million. While there was no plan on how this reduction was to be achieved, actual overtime costs did decrease from FY 2020 to FY 2021, as shown in Table 1, mainly due to the cancellations of events in the City due to COVID-19. Neither the FY 2022 budget nor the outyears included increases in the budget for NYPD overtime, despite the anticipated return of planned events.

Table 1. Police Uniformed Actual Overtime Costs vs. Adopted Budget, FY 2013 - FY 2022

(\$ in millions)	Actual Overtime Costs	Adopted Budget Overtime	Percent Overspent
FY 2022	\$671	\$354	90%
FY 2021	429	227	89%
FY 2020	721	535	35%
FY 2019	600	548	10%
FY 2018	589	538	10%
FY 2017	583	499	17%
FY 2016	575	522	10%
FY 2015	611	435	41%
FY 2014	486	415	17%
FY 2013	541	418	29%
Average	\$581	\$449	29%

SOURCE: NYC Office of Management and Budget; FMS

NOTE: Overtime costs include costs for unplanned events such as Hurricane Sandy and protests following the deaths of Eric Garner in 2014 and George Floyd in 2020. Numbers may not tie due to rounding.

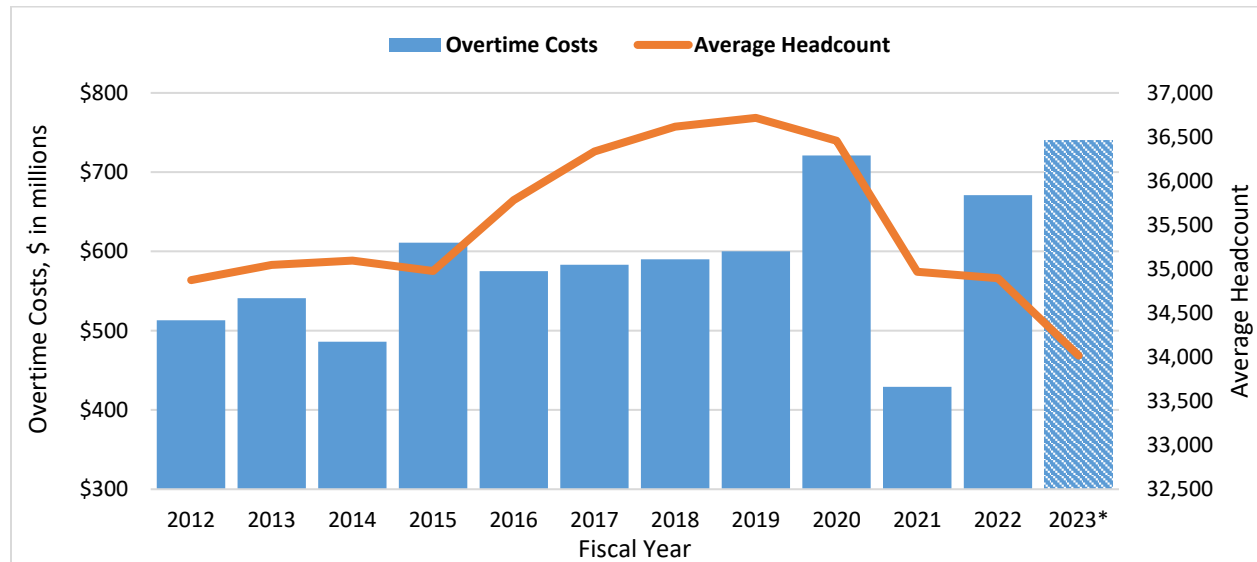
Police Overtime and Headcount

The City typically uses overtime to meet a variety of needs. Extra hours can provide flexibility to staff one-time events that don’t require full-time personnel. It can also be used to help agencies meet unexpected needs and emergencies, and to provide essential services when actual headcount levels are insufficient. As staff levels rise, the need for overtime falls. That has not been the case at the NYPD historically.

Despite a significant increase in headcount between FYs 2015 and 2019, the NYPD’s overtime costs for uniformed employees remained relatively stable, averaging \$592 million annually (Chart 3). This trend becomes more muddled in recent fiscal years as other factors significantly drove

overtime usage, including protests after the killing of George Floyd and Covid-19 lockdowns, while headcount declined through the pandemic.

Chart 3. Police Uniformed Overtime Costs and Average Uniformed Headcount, FY 2013 - FY 2023*



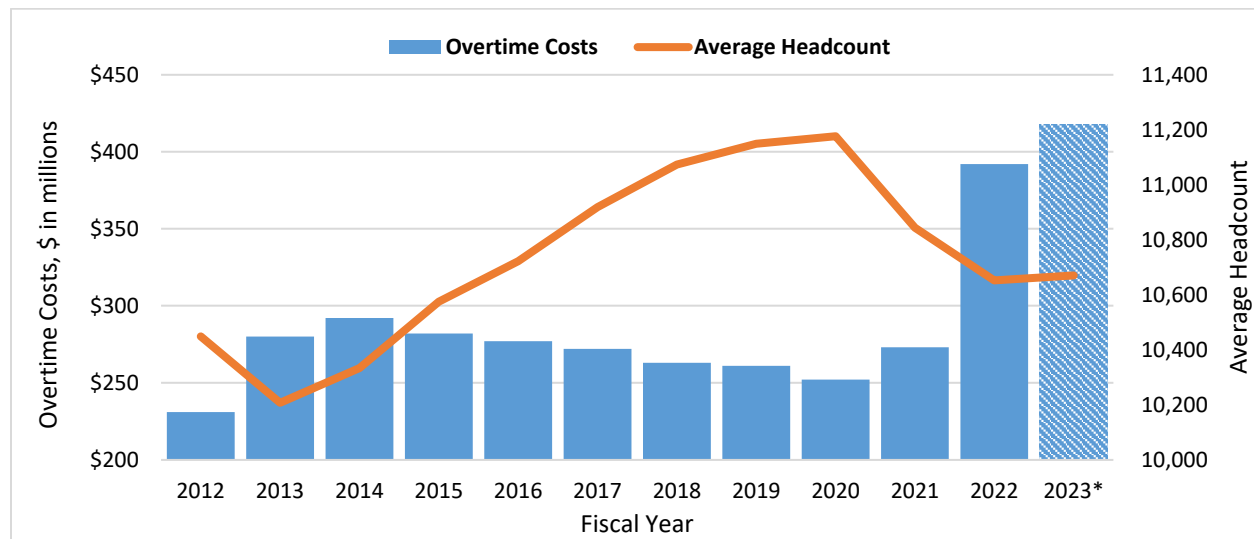
SOURCE: NYC Office of Management and Budget; Office of the NYC Comptroller; FMS

NOTE: Overtime costs include costs associated with unplanned events such as Hurricane Sandy and protests following the deaths of Eric Garner in 2014 and George Floyd in 2020. *New York City’s Comptroller’s Office projected FY 2023 overtime cost assumes continued elevated transit platform coverage through March. FY 2023 average headcount is for July – December only.

At other uniformed agencies, such as FDNY as shown in Chart 4, uniformed overtime costs can have an inverse relationship to headcount. In Fiscal Years 2015 – 2020, overtime costs decreased as headcount levels increased. More recently, the average FDNY uniformed headcount level has declined and while overtime usage rose to meet operational needs.



Chart 4. Fire Uniformed Overtime Costs and Average Uniformed Headcount, FY 2012 - FY 2023*



SOURCE: NYC Office of Management and Budget; Office of the NYC Comptroller; FMS

NOTE: Includes overtime costs associated with Hurricane Sandy. *City’s FY 2023 projected overtime cost and average headcount for July – December.

Drivers of Police Overtime Usage

The variation in NYPD’s historical overtime spending is driven less by vacancies or the need for more staff, but rather by unplanned and planned events. The NYPD categorizes uniformed overtime spending in multiple ways, the largest of which is Events, followed by Investigations, New Arrests, Operation Atlas, Operational, Other, Reimbursable Programs, and Special Programs. Events includes three main types of overtime – Details (e.g. security for NYPD headquarters, dignitaries, etc.), Planned Events, and Unplanned Events.

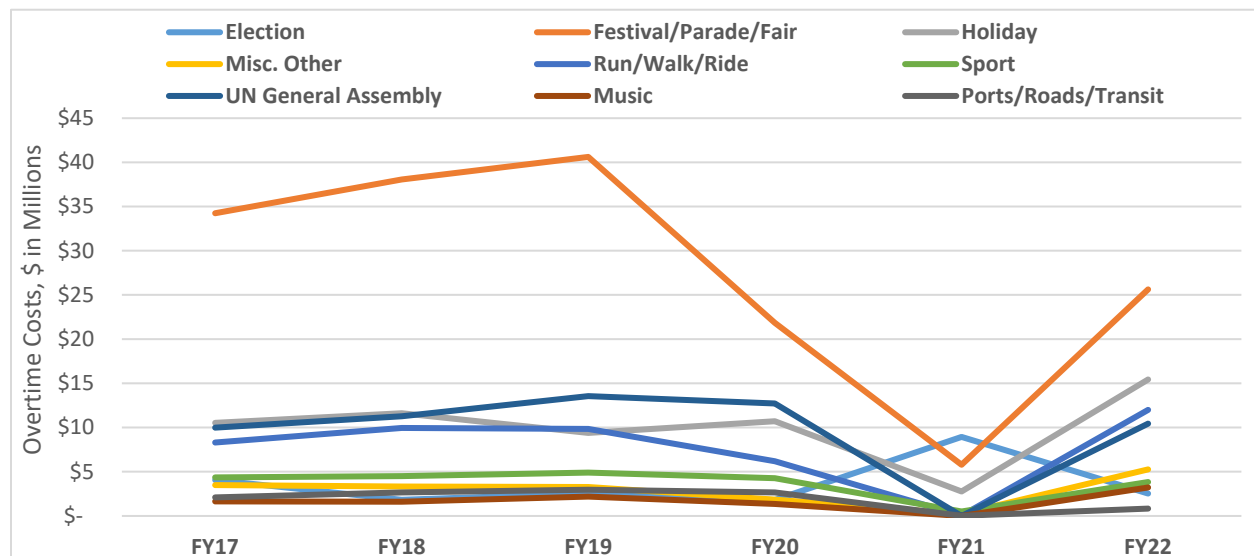
Table 2. NYPD Overtime Categories

Overtime Category	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Events	\$174	\$164	\$152	\$289	\$123	\$220
Investigations	\$118	\$128	\$133	\$139	\$119	\$160
New Arrest	\$81	\$78	\$74	\$62	\$42	\$54
Operation Atlas	\$38	\$39	\$41	\$36	\$13	\$23
Operational	\$82	\$82	\$92	\$87	\$69	\$86
Other	\$20	\$24	\$24	\$25	\$29	\$94
Reimbursable Programs	\$37	\$37	\$33	\$28	\$32	\$34
Special Programs	\$32	\$37	\$50	\$55	\$0	\$0
Grand Total	\$583	\$589	\$600	\$721	\$429	\$671

SOURCE: New York City Police Department

Chart 5 shows the NYPD’s Planned Events spending since FY 2017, driven mostly by the Fair, Festival, and Parade category, which has averaged \$29.5 million over the last six fiscal years, and was significantly reduced in Fiscal 2021 due to COVID-19. The second largest category of NYPD uniformed spending is for the UN General Assembly, which is fully federally reimbursed, and averaged \$11.6 million per year (excluding Fiscal 2021 because the UN General Assembly did not meet due to COVID-19). This chart indicates that planned event overtime is likely to increase in FY 2023 with the full reinstatement of most City events.

Chart 5. NYPD Planned Events Overtime Costs by Category, FY 2017 – FY 2022



SOURCE: New York City Police Department; Office of the NYC Comptroller

NOTE: Categorized by the Comptroller’s Office based on NYPD Quarterly Overtime Report. “Festival/Parade/Fairs” may be holiday-related (e.g., the Saint Patrick’s Day parade); while “Holiday” includes costs strictly associated with holiday events that are not festivals, parades, and/or fairs (e.g., the Rockefeller Tree lighting).

Unplanned events also show large variation across years. In FY 2020, the NYPD spent \$145.7 million in their response to the protests following the killings of George Floyd and Breonna Taylor (categorized as “Anti-Police Protests” by the NYPD). That year, the Strategic Response Group (SRG), which responds to protest activities, used \$16.2 million in overtime, which is \$2.4 million more than the SRG’s five-year average from FY 2018 through FY 2022 of \$13.8 million.

Table 3: Major Unplanned Events

Event Category	FY 2020	FY 2021	FY 2022
Enhanced Transit Platform Coverage	\$ -	\$14,421,279	\$ 42,965,264
COVID-19	\$12,142,552	\$ 1,876,324	\$ 10,552,595
“Anti-Police Protests”	\$145,670,957	\$59,153,102	\$ 20,078,960
Other	\$ 32,139,424	\$15,120,520	\$ 26,463,428
Total	\$ 189,952,933	\$90,571,225	\$100,060,247

SOURCE: New York City Police Department

NOTE: Comparable data is not currently available prior to FY 2020. *“Anti-Police Protests” includes George Floyd protests (FY20), Kyle Rittenhouse’s acquittal protests (FY22), and other protests against police brutality.

In FY 2022, the growing driver of NYPD’s overtime expenditures was the City’s response to a nationwide trend of increased crime. Major felony crimes increased more than 25 percent citywide and about 50 percent within the subway system when compared to FY 2021. The City increased its police presence, particularly on subway platforms as shown in Table 3 above. The City, with the support of the State, implemented the “Cops, Cameras, and Care” program in October 2022, adding 1,200 more patrol shifts daily within the subway system. The shifts are done on overtime hours and cost the City approximately \$20 million monthly. The Governor has indicated that the State will reimburse the City for the costs incurred through January, approximately \$62 million, but this funding was not included in the State’s Executive Budget.

Projected Police Overtime Use in FY 2023 and Beyond

Through February 2023, the Police Department has spent \$472 million on uniformed overtime, already exceeding its FY 2023 annual budget by \$98 million. The Comptroller’s Office estimates that the City’s full year spend on NYPD’s uniformed overtime will be approximately \$740 million in FY 2023. Outyear budgets continue to underestimate likely overtime expenses: the 2023 January Financial Plan budgets amounts of \$374 million in FY 2023, \$372 million in each of FYs 2024 and 2025, and \$371 million in each of FYs 2026 and 2027, just over half of what the Comptroller’s Office estimates will actually be spent.

Conclusion

The persistent gap between budgeted overtime and actual overtime spending is neither helpful for agency planning nor cost effective for the City of New York. Simply budgeting less for overtime has not proven to be an effective tool for controlling overtime costs, without any accountability for agencies that exceed their budgets. Police overtime remains by far the largest overtime category and the most likely to far outstrip its budget, yet there have not been serious efforts either to rein in this spending or to more honestly reflect expectations in the budget.

Acknowledgements

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