

REPORT OF THE HONOLULU POLICE COMMISSION PERMITTED INTERACTION GROUP FORMED NOVEMBER 4, 2020 TO MAKE RECOMMENDATIONS TO THE MAYOR REGARDING THE HONOLULU POLICE DEPARTMENT 2021-2022 BUDGET AND SUBSEQUENT BUDGETS

Report Date: March 3, 2021

Revised City and County of Honolulu Charter Excerpts

Section 6-1601. Organization. There shall be a police department which shall consist of a chief of police, a police commission, and the necessary staff. The chief of police shall be the administrative head of the police department

Section 6-1603. Chief of Police. The chief of police shall be appointed by the police commission for a term of five years. The chief shall serve at the pleasure of the police commission and shall not attain any property interest in the position of chief of police. The police commission may remove or suspend the chief of police at any time prior to the expiration of the five-year appointment.

Section 6-1606. Powers, Duties and Functions. The police commission shall ... (b) Review the annual budget prepared by the chief of police and may make recommendations thereon to the mayor.

Formation of the Permitted Interaction Group

At its November 4, 2020 regular meeting, the Honolulu Police Commission (Commission) unanimously voted to form a permitted interaction group pursuant to Section 92-2.5(b) (1) of the Hawaii Revised Statutes. The permitted interaction group was assigned to review and make recommendations on the Honolulu Police Department's (Department) FY2021/2022 budget.

Commission members Doug Chin (Chair), Jerry Gibson and Richard Parry were named to the permitted interaction group.

Audit of the Honolulu Police Department

On December 2, 2020, the Office of the City Auditor (Auditor), pursuant to Honolulu City Council Resolution 19-255, issued its audit of the Department's policies, procedures, and controls. In that report, the Auditor took note of the Honolulu City Charter's provisions regarding the Commission's advisory powers and found that a more detailed review of the Commission's functions may be warranted. One of the issues identified by the Auditor for potential review was "whether and how the [C]ommission should use its advisory powers" and "whether the police commission has met its charter mandate to provide advisory reviews and exercise oversight of the police department."

Activities of the Permitted Interaction Group

From November 2020 through February 2021, the permitted interaction group reviewed Department and budget concerns that had been raised to the Commission's attention in 2020 through public testimony, correspondence to the Commission, Commission agenda items and Department-initiated presentations. The permitted interaction group also considered media reports related to the Department's spending and budget in 2020 and spoke with or met with community stakeholders regarding these subjects. The permitted interaction group also met with the leadership in the Department's finance division for two (2) separate meetings, on November 20, 2020 and December 16, 2020, to discuss the Department's proposed FY 2021-2022 budget and how it compared to previous fiscal year's budgets.

Budget Issues Raised Before the Commission in 2020

On January 8, 2020, Acting Chief McCarthy informed the Commission that Chief Ballard, he, and Deputy Chief Ho would be meeting to update the Chief's five-year plan. Some issues that will be reviewed include overtime, manpower, and response to crime.

On February 5, 2020, Chief Ballard informed the Commission that she was requesting an additional 85 sworn positions (unfunded) in order to create positions throughout the Department with a target to fund and fill all vacancies in 2023.

On February 19, 2020, the Department presented its update to the Five-Year Plan to the Commission.

On March 4, 2020, Chief Ballard informed the Commission that she participated in the Mayor's budget press conference on March 3, 2020, and that the Department's budget would be presented to the City Council on March 16, 2020. The budget included a request for new positions (85 sworn and 10 civilian), funding for body worn cameras, and Taser replacement.

On April 15, 2020, the Department presented its FY 2020-2021 budget to the Commission.

On May 6, 2020, a Commissioner asked Chief Ballard if she had a total dollar amount used from the CARES Act. Chief Ballard informed the Commission the City and County of Honolulu had received approximately \$383 million of that the Department received approximately \$56 million. She then explained that funds must be expended by December 31, 2020 and that nationally agencies are purchasing the same things, and items must be paid which can make spending difficult.

On June 3, 2020, Chief Ballard updated the Commission on the hiring of Police Service Officers, which are non-law enforcement positions. Funding will initially be through the CARES Act.

On July 15, 2020, the Department provided the Commission with a recap of the FY 2019-2020 budget and a budget report for FY 2021-2022.

On September 2, 2020, Department presented its Strategic Plan to the Commission.

On September 16, 2020, Chief Ballard informed the Commission that there have been questions related to the Department's purchases through the CARES Act, including the purchase of paddy wagons. Other projects underway using CARES Act funding are for the Central Receiving Division, Kapolei, and Waianae police stations in which the air exchange for the cell blocks is being redone. Funds are also being used to pursue PPE, for overtime for COVID-19 enforcement, for sterilization machines and for temporary shelters for homeless individuals.

On October 7, 2020, Chief Ballard informed the Commission that to date approximately \$2.25 million has been spent on the POST program for homeless at Keehi Lagoon. Approximately \$2 million has been spent for PPEs, \$4.5 million services officers who have recently completed training. Decontamination and sanitization equipment has cost \$3 million. Overtime spent for COVID-19 enforcement teams is approximately \$3.5 million, and \$6 million for reimbursement of overtime or salaries directly related to work officers do for COVID-19.

On October 21, 2020, the Department presented to the Commission a FY2020-2021 First Quarter update and explained considerations that were made for a budget reduction plan. The Department also answered questions regarding what happens when CARES Act funds are spent or expire.

On November 4, 2020, the Department answered questions from the Commission regarding overtime related to COVID-19 enforcement. The Commission voted to form a permitted interaction group to make recommendations to the Mayor regarding HPD's FY 2021-2022 budget.

Recommendations

The City and County of Honolulu is facing a significant budget shortfall in FY 2021-2022 due to sharp decrease from its revenue sources. At the same time, police departments throughout the country and policy makers are evaluating the role of law enforcement in preserving public safety and fighting crime in the 2020s and beyond. Given these challenges, the permitted interaction group has respectfully narrowed its recommendations to two (2) issues for the Mayor and the Department to consider as it prepares for next year's budget: overtime and a long-term restructuring of Department functions.

1. Overtime

Salaries make up 85% of the total Department operating budget with overtime making up approximately 15% of that salaries budget in 2019, so 12.75% of the Department operating budget. Department expenditure on overtime increased by 90% over the 5 years from 2015 to 2019 to approximately \$38 million in 2019. 2020 and 2021 overtime has been reduced due to budget pressures. These number exclude monies spend on the COVID enforcement program, but include 'Holiday Overtime.'

By contrast, at the Seattle Police Department, a similar size department to Honolulu, overtime comprises about 7% of the budget and totaled \$30 million in 2020 according to ACLU numbers. According to press sources, the Dallas Police Departments (also similar in size to HPD) overtime budget for 2020 was \$24 million.

Overtime is important to many Department officers as their base pay is relatively low, particularly in the early years of an officer's career. Officers at times may come to rely on overtime to make ends meet, and overtime is important to make the Department salary package attractive relative to other jobs in Hawaii or to mainland police officer positions.

The Department has consistently, and for many years, run below preferred staffing levels. Officer overtime is essential to supplement manpower shortages. As of December 2020, the Department had a 13% vacancy rate for uniformed positions, with 279 vacancies and an authorized strength of 2,143.

There has been some local public criticism of what is perceived excess amounts of overtime taken by some officers. As a result of significant amounts of overtime pay received, several officers appear to be among the highest paid employees in the City and County of Honolulu.

The Department has been taking steps to reduce overtime hours and expenditure with overtime reduced to \$31.6 million in 2020 and forecast at \$31.8 million in 2021, again excluding COVID enforcement team overtime.

The 2020 COVID enforcement team program relied very heavily on overtime worked by officers to make up the hours required to enforce COVID protocols. Most of this approximately \$17 million in overtime expense was paid for by Federal CARES Act funding, however, the impact of this overtime on retirement pay will be paid for from the City and County of Honolulu's budget. The Department is completing an investigation of possible overtime abuse by officers participating in the program. Some of these officers may face criminal investigations associated with the alleged abuse. The Chief of Police blames the abuse on poor management of the program by field supervisors. This overtime is not included in the numbers set out in item 1.a above.

One activity officers must perform is to attend court when giving evidence in a trial that they have been involved with. This can require many hours waiting around the courthouse by the officers often on overtime after they have completed a shift. This is particularly a problem with officers working the night shift and needing to attend court during the day.

Budget squeezes being implemented for FY 2021 and FY 2022 have forced the Department to look at ways to cut operating costs, this forces some review of salary costs as they make up so much of the Department budget. This effort will likely lower overtime costs. The department is considering, trialing or has already implemented:

- The lowering of officer manpower level on some shifts and beats to lower costs.
- Cross utilization of resources (such as across Districts and beats) to where the need is greatest at the time, where currently officers do not cross districts or beats.
- Improved use of computer scheduling systems to utilize officers and overtime more efficiently.

Recommendations from the Permitted Interaction Group:

- a. The Department should be encouraged to continue to lower overtime costs by more efficient scheduling and utilization of officers.
- b. The Department should be encouraged to continue to increase recruiting so the number of officers is increased, and the amount of overtime worked is reduced.
- c. The Department should conduct an internal investigation to ensure that overtime is properly scheduled, monitored, budgeted, and reviewed.
- d. The Department, working with the Department of the Prosecuting Attorney, should review the existing system under which its officers attend court and determine if a more efficient system is possible under current circumstances and budget constraints.
- e. The Department should be tasked with conducting a study to determine whether increasing the basic pay of officers would improve recruiting and lower the loss of officers, and as a result lower overtime costs while continuing to pay officers a fair wage without overtime.
- f. The Department should continue to concentrate efforts on filling positions. The Department appears to maintain a certain level but not get ahead. This is a critical point where traditional methods may not apply. It may be financially advantageous over the long run to double the recruitment team in its human resources division. Hiring recruiters to find officers throughout the country that want to work in Hawaii should be considered, as well as offering a moving allotment package for new officers so that they can get here and not have to pay.

2. Broader Restructuring of Department Functions

The Permitted Interaction Group respectfully believes there should be some additional consideration of the opportunity to restructure the Department's functions.

The Department is currently being utilized for a wide-ranging number of functions beyond the basic protecting life and property through the enforcement of laws and regulations. Even these basic functions overlap with more general societal issues such as homelessness and mental health. Consideration should be given to whether the current structure of the department is appropriate and to whether some functions could be better performed by other city or state departments.

Several mainland cities have taken actions to change responsibilities and moved funds from their police departments to other city departments. For example, Austin cut the police budget by 5% and redirected those funds to things like violence prevention, housing, and mental health services. *Forbes* (August 2020) reported that at that time another 13 cities had taken similar actions in the recent past. The issue has received a great deal of attention at national level, although not a great deal of comment in Hawaii. The ACLU Hawaii has raised the issue of "reimagining the police" as a project they are looking at and would like to see debated.

There are many issues to be evaluated including the uniqueness of the Hawaii community and the Department's unique situation. It is beyond the scope of this group and of this paper to decide whether there are opportunities to better use funds and more effectively carry out the functions. At the same time, it is also beyond the scope of the Department to consider such issues in isolation.

Recommendation of the Permitted Interaction Group:

- a. The Mayor or Department should consider establishing a task force, which would include representatives from the Department, to review the issue of whether resources currently provided to the Department would be better utilized by other specialty functions within the City and County of Honolulu or elsewhere.
- b. The Department should consider establishing a new division or team that is empowered to focus on interacting with individuals who are homeless or mentally challenged, or in special cases involving drug abuse or domestic abuse. This group would be trained specifically to perform these tasks, would consist of rank-and-file officers, and be under the supervision of a major just like an area division is. It would include trained psychiatrists and psychologists within the ranks. These people would be recruited and trained to fill positions that are currently available within the 15% opening already budgeted areas. They would have special uniforms, equipment vehicles and still be empowered as

officers of the law. For example, a division might consist of 150 members spread over 3 shifts for 7 days per week. These specialists would be the first responders to these issues and trained specifically for the disciplines mentioned. Doing so might free up standard officers to investigate and respond to general crimes and other duties of importance. Bold steps could potentially set precedence throughout the U.S. as a new way to promote public safety and address criminal offenses while rehabilitating those in need with professional care. Overtime in a standard year equates to approximately 143 officers' salaries. There are also approximately 272 officers budgeted for that the Department has not been able to hire. This total of 415 officers in theory could make a difference both fighting crime strategically and protecting public safety for the population of Oahu.