CITY OF NEW ORLEANS

2015 Proposed Budget
Office of Police Secondary Employment

November 2nd, 2015

2016 Budget Presentation

- **Department Mission & Vision**
- **2015 Accomplishments**
- **2016 Allocation**
- **2016 Department Goals**
- **Performance Measures**

Department Mission & Vision

Mission Statement

OPSE manages a reformed police detail system with integrity, fairness, transparency, and efficiency on behalf of the NOPD and the City of New Orleans. Using technology and person-to-person contact, we connect highly trained and experienced off-duty police officers with people who need and trust them, and in doing so help make New Orleans a safer, friendlier place for us all.

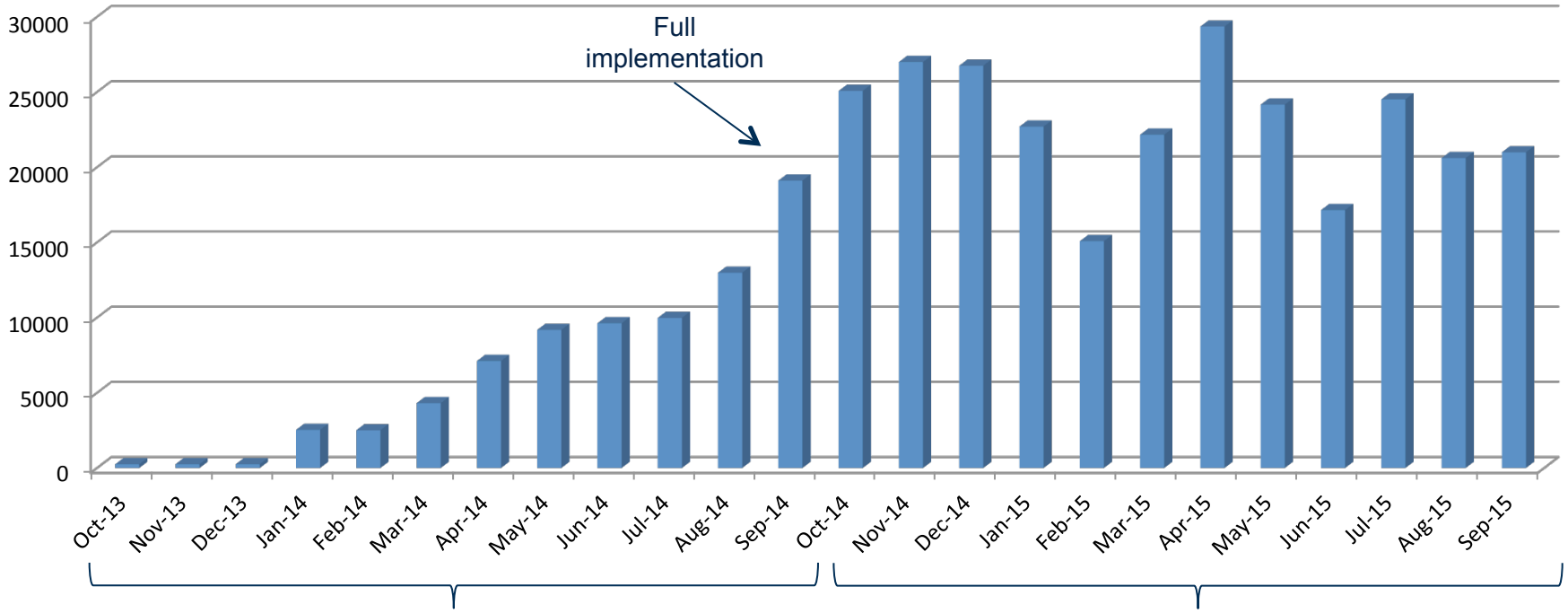
Vision Statement

The Office of Police Secondary Employment will continuously improve the policies and procedures of the off-duty police details program to ensure fairness to officer and customer, fiscal and operational efficiency for our citizens, and transparency for all. We will be known for our unwavering devotion to selfless public service, our efficient methods that achieve real results, and our cheerful and collegial service to customers and officers alike, resulting in a best-in-class program among U.S. municipalities. Evidence of success will come in the continued faith and patronage of customers, the trust of officers, the approval of local and national oversight bodies, and the confidence of the people of New Orleans.

2015 Accomplishments

- Aggregate annual hours increased by over 350% since this time last year
- Served our 1000th unique customer in October
- In September, we surpassed the milestone of over $10,000,000 paid to officers through OPSE. An additional $1.7M has been paid directly to officers by SMG, tracked and monitored through OPSE.
- Assumed management for motorcycle escort details in July. Will take on K9, bomb tech, and boat/diver details in November.
- Last spring, successfully managed French Quarter Festival and Jazz Fest for the first time, contributing to over $1,000,000 in gross sales in April
- Expanded staffed operations hours to 8:30 am – 11:00 pm weekdays, with on-call response on weekends and holidays
- As of 30 September, OPSE operating expenses are on track to finish 10% less than projected for the year.

Monthly Detail Hours Managed



78,104 hours
Oct 13 – Sep 14

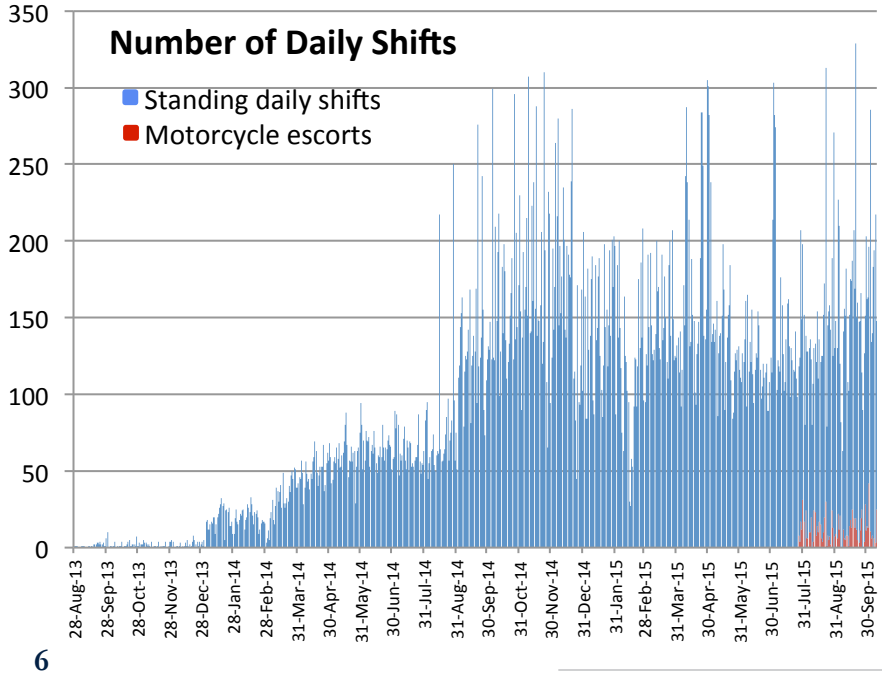
275,535 hours
Oct 14 – Sep 15

The amount of work OPSE has managed more than tripled from our pilot & implementation year to our first year of full implementation

Officers are working 23,000 hours per month

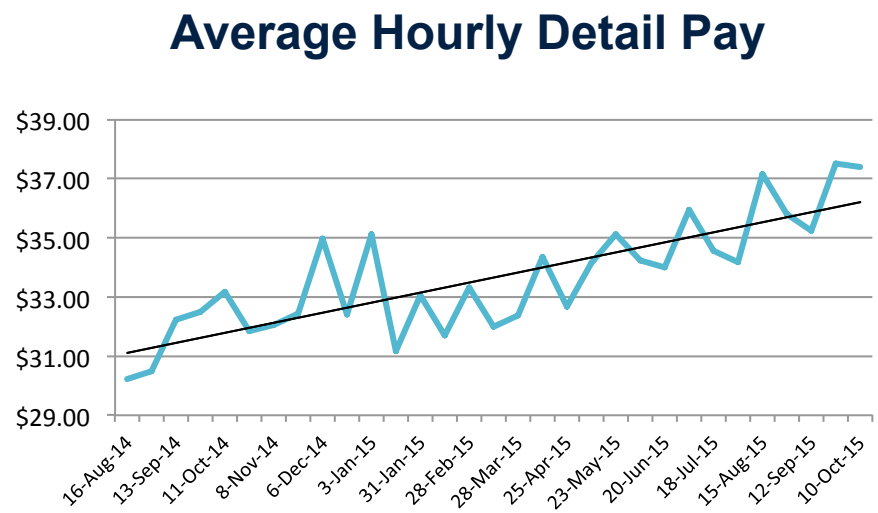
- Officers work an average of 4575 individual shifts per month, totaling an average of 23,000 hours

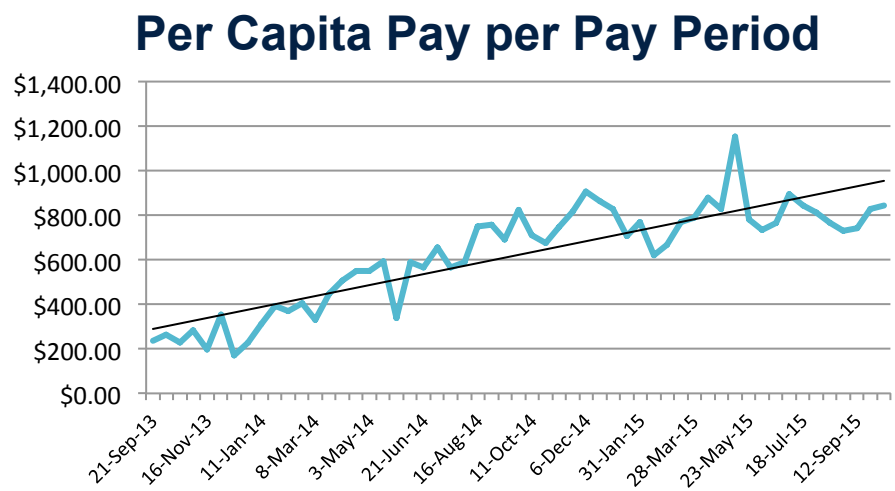
- This increases significantly during the October through December "high season," when the monthly total reaches about 27,000 hours



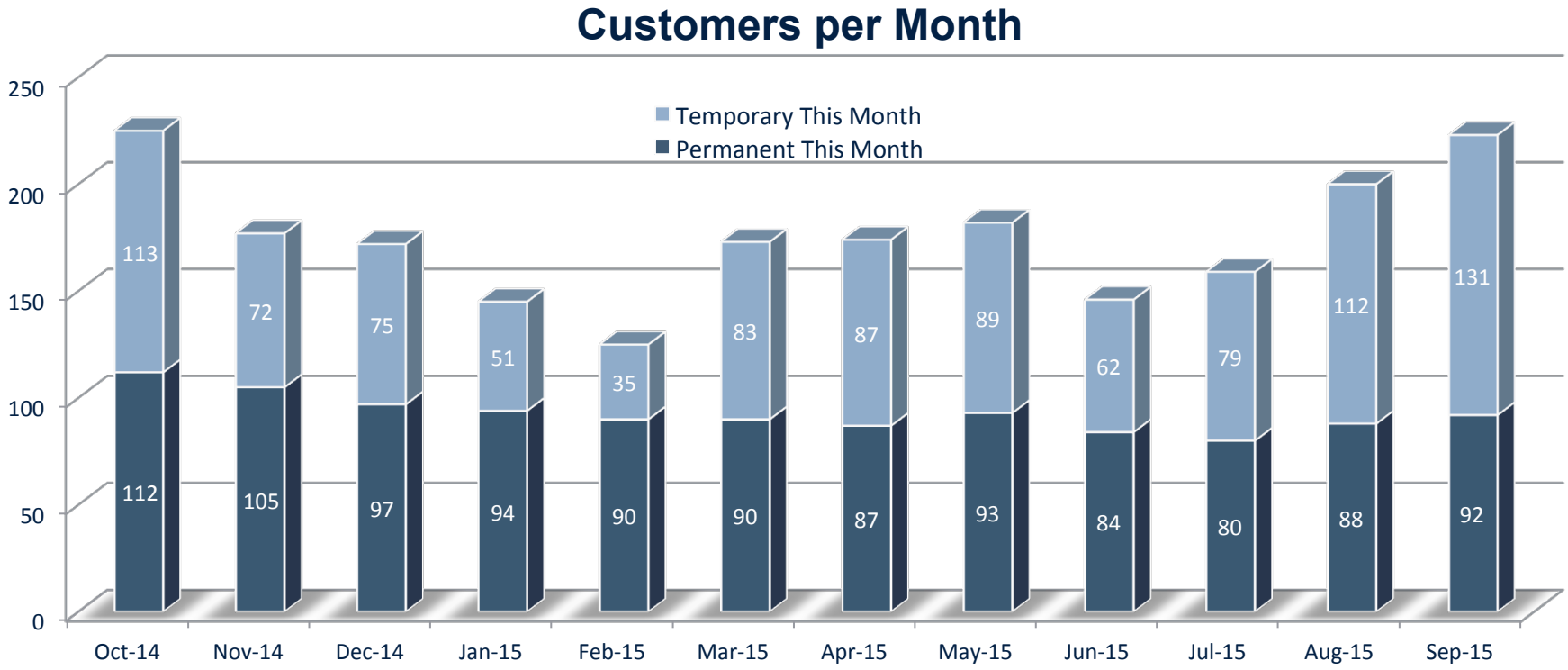
Officers are supplementing their incomes

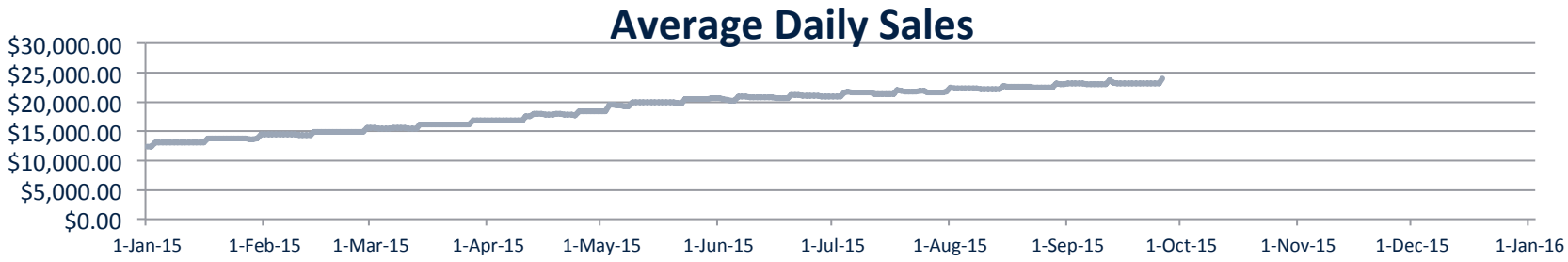
- OPSE has paid **$10,365,962** to officers since its inception
  - Average annual pay: $6,731
  - Median annual pay: $10,427
- More than $300,000 paid each 2-week pay period
- 776 current NOPD members have worked through OPSE, or 67% of department strength
- Officers who work details through OPSE:
  - Work an average of about 11 hours per week
  - Have seen the hourly detail pay increase over $5.00 per hour in the last year
  - Have seen their bi-weekly detail pay go up to nearly $850 in each paycheck since September 2014





More than ever, customers want to hire NOPD Officers





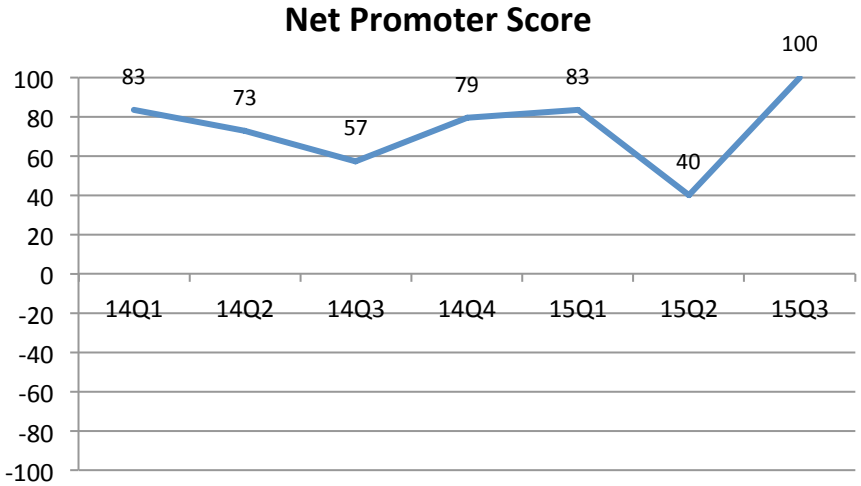
Who Are Our Customers?

Customers continue to have great experiences

We send a customer service survey to all customers:

- Of 106 responses we've received to date (18% response rate):
  - 89 were enthusiastically positive
  - 6 were passive
  - 11 were negative

- The industry-standard customer service metric is the Net Promoter Score (NPS). OPSE & NOPD's police detail service to customers has a cumulative NPS of **74**. The NPS for business-to-business service industry companies is 62.



2015 Financial Projections

2015 Revenues & Expenses		
	2015 Actual (through Sep 30)	**2015 Year End (Predicted)**
Customer invoices (gross revenues)	$6,529,959	$9,279,606
Officer payroll (cost of goods sold)	($5,679,479)	($8,087,295)
Net revenues (before bonuses & rebates)	$850,480	$1,216,809
Operating costs of OPSE (personal services & other operating)	($637,856)	($838,856)
Customer rebate costs	($185,563)	($251,957)
Officer bonus costs	($126,020)	($175,227)
Projected 2015 Profit/Loss	**($98,959)**	**($73,728)**

2016 Allocation

No Allocation. OPSE operates from an enterprise fund, with revenues generated by an administrative fee charged to the customer for each transaction

Projected 2016 Total Office Costs		
Personal Services	Other Operating	**Totals**
$899,800	**$90,000**	**$989,800**
91%	**9%**	**100%**

This projection is about 6% more than our 2015 projection. This is a result of lower Other Operating costs but higher Personal Services costs, with an additional two employees funded full-year.

2016 Goals

- Further strengthen the organization and practices of OPSE so as to increase resilience to unforeseen conditions. This includes further automating processes, continually refreshing SOPs, improving the customer and officer experiences with our scheduling software, and working with the consent decree monitor and DOJ to find compliance monitoring methods that reduces the administrative burden on officers, the NOPD, and OPSE..

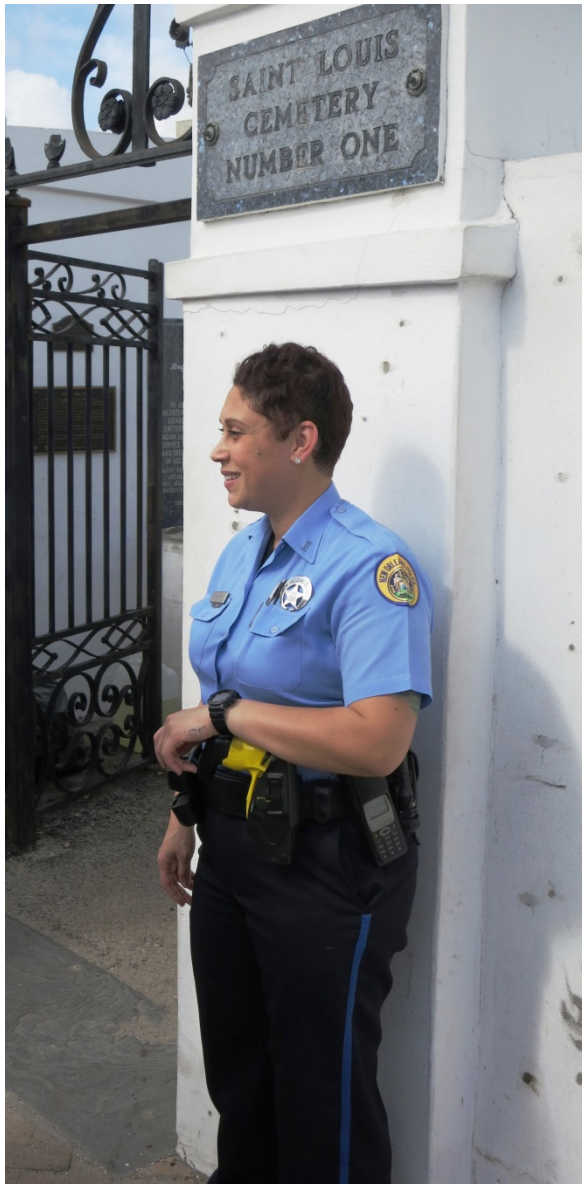
- Continue to improve efficiency and responsiveness to officers to maximize officer participation and ensure that customer demand does not outstrip officer supply.

- Strengthen existing customer loyalty and gain new clients by continuing to improve the service provided. Areas of concentration are the invoicing process and making routine customer check-up calls and visits.

- Assume management of the last remaining categories of police details not currently managed by OPSE: second lines, parades, and races.

- Demonstrate sustained compliance with all consent decree requirements

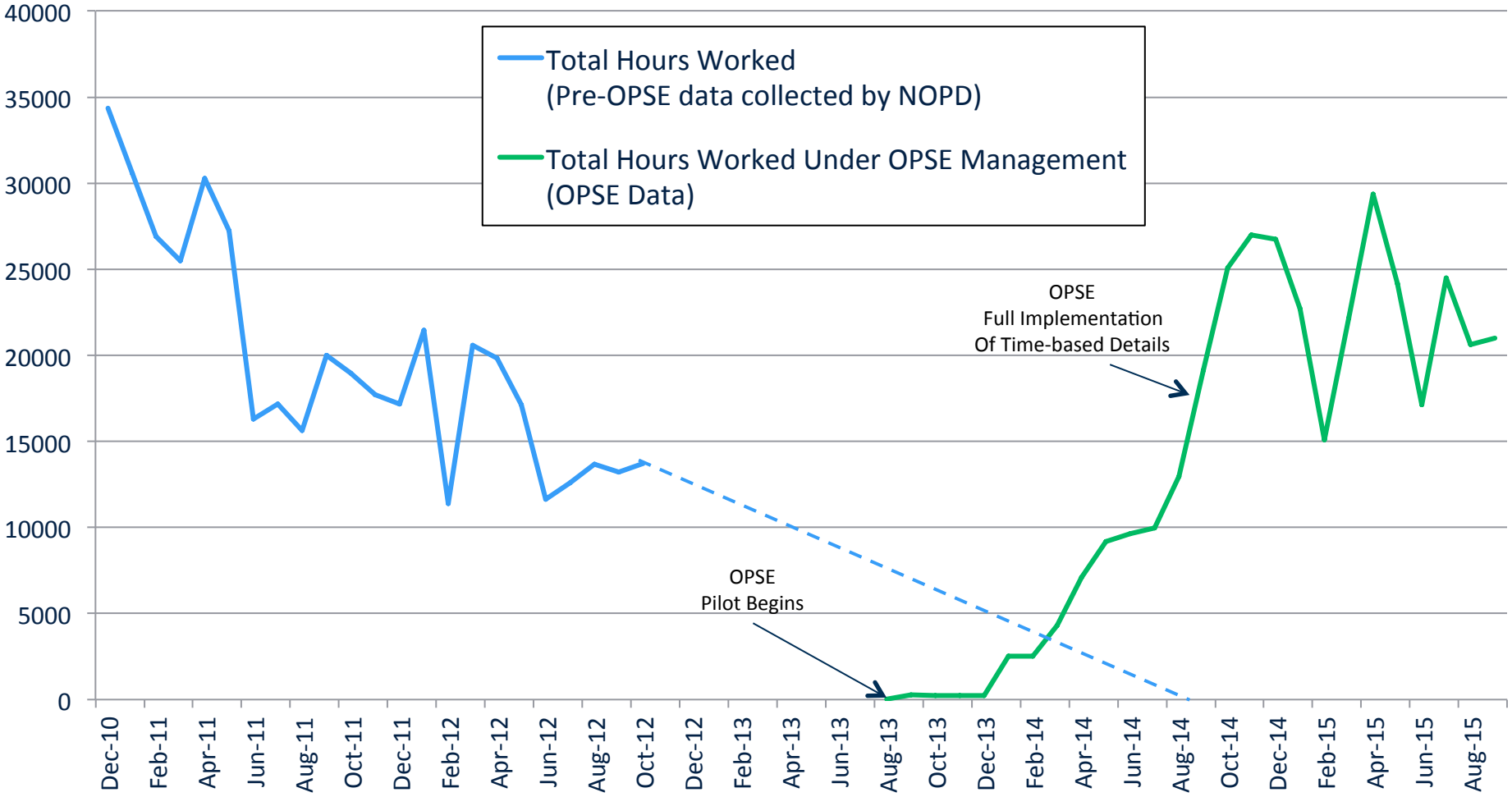
- Cover all operating costs with earned revenue



Performance Measures

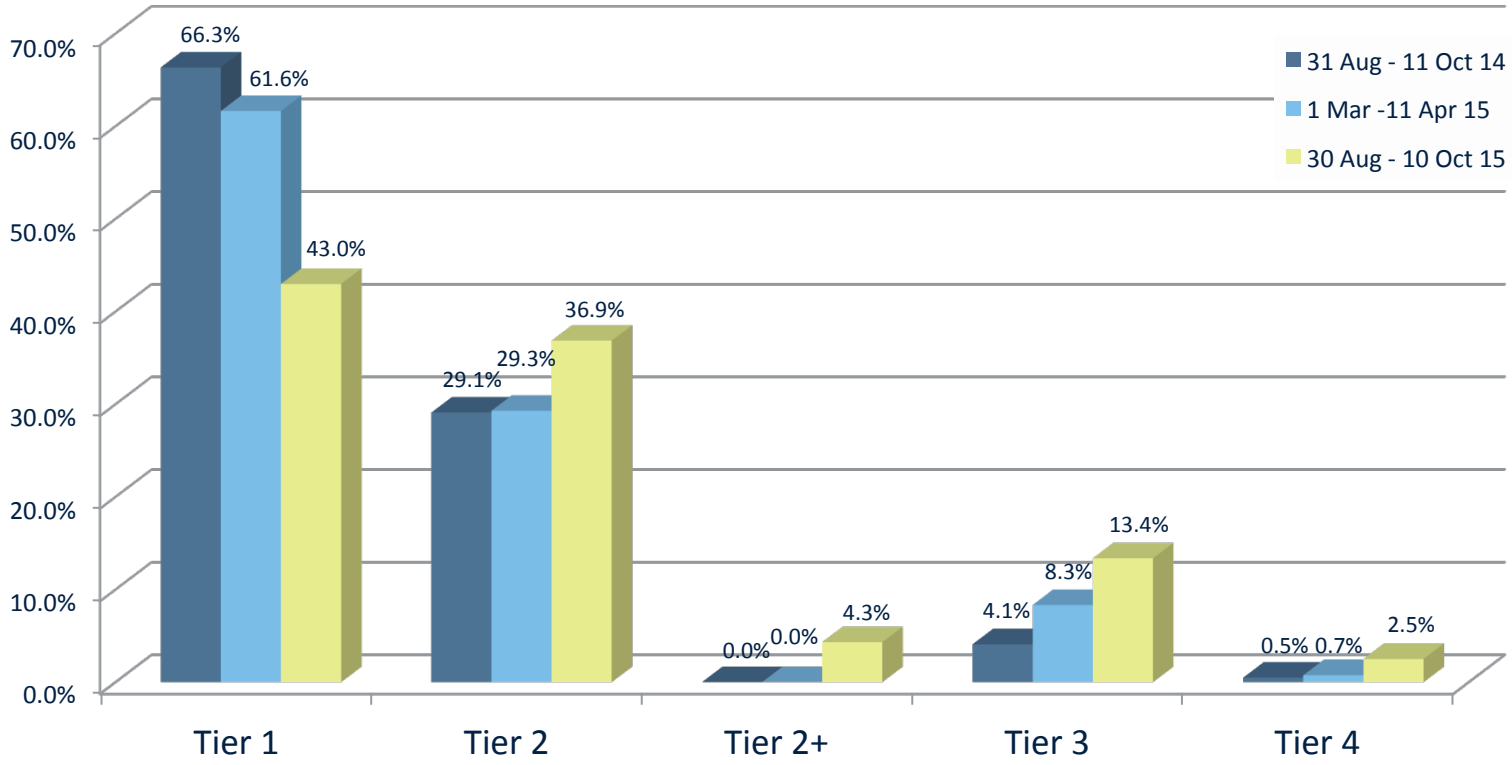
Performance Summary and Goals				
Measure	2015 Mid-Year Actual	2015 Mid-Year Target	2015 Year-End Target	2016 Target
Number of secondary employment hours worked by police officers	130,011	Management Statistic	Management Statistic	Management Statistic
Net Promoter Score	63	65	65	75

Monthly Detail Hours Worked

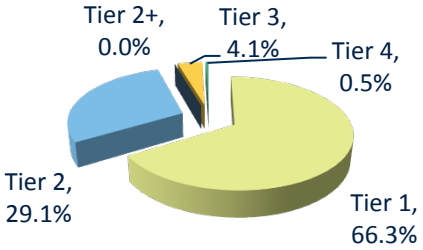


NOPD Officers' secondary employment hours now match pre-DOJ levels

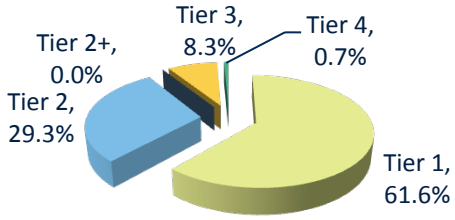
Pay (and Cost) Trends



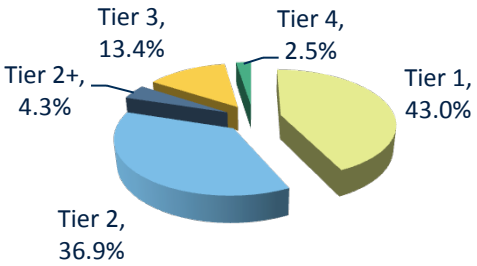
31 Aug - 11 Oct 14



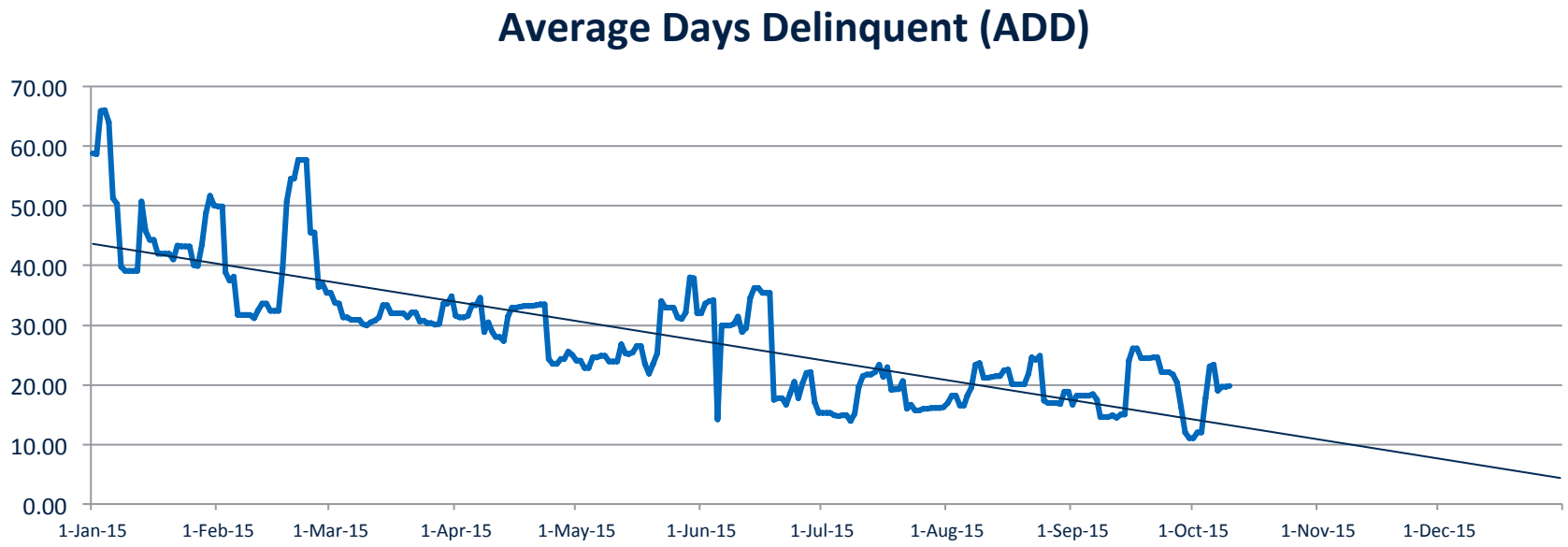
1 Mar -11 Apr 15



30 Aug - 10 Oct 15



Accounts Receivable



Total Sales: $11,379,546
Past Due Receivables as a Percent of Sales: 2.5%
Average business services company past due receivables: 13.3%