

Overtime

General Issues Committee
Feb 24th, 2017

Council Direction – February 8, 2017

(b) That the Senior Leadership Team be directed to provide a detailed summary of Overtime Costs by Division, that includes the following information:

1. The correlation between Overtime Costs and the number of recorded absences;
2. Planned Overtime as it relates to collective agreements and service levels;
3. Unplanned overtime and proposed mitigation strategies;
4. A list of employees City-wide, receiving significant amounts of Overtime; and
5. That the report come back to the February 24, 2017 General Issues Committee Budget meeting.

Overtime Overview

- The City spends approximately 3.9% of gross earnings on overtime (equal to approximately \$17.7 million per year)
 - A 2012 study indicated that Hamilton was the second lowest amongst municipal comparators for overtime costs as a percentage of wages
- The majority of overtime is taken as cash versus time in lieu
- There is an opportunity with technology enhancements to enable the consistent tracking and management of overtime activity

Is there a correlation between
Overtime and Absenteeism...

YES, but...

There are a number of other drivers for
overtime such as weather events, other absence
types and regular scheduling practices

The correlation between “Overtime” Costs and Sick Absences

	2014	2015	2016	Grand Total
All "Overtime" as % of Gross Earnings	4.1 %	4.0 %	3.6 %	3.9 %
All "Overtime"	\$17,920,070	\$18,437,402	\$16,882,353	\$53,239,825
Overtime Earnings	\$14,586,161	\$15,280,766	\$13,993,489	\$43,860,417
Standby Earnings	\$1,354,140	\$1,508,241	\$1,394,320	\$4,256,701
Call In Earnings	\$1,103,409	\$746,887	\$556,429	\$2,406,725
Banked Stat Holidays Earnings	\$827,024	\$852,092	\$888,463	\$2,567,579
Pager Earnings	\$49,336	\$49,416	\$49,652	\$148,404
STD Sick Cost as % of Gross Earnings	2.9 %	3.0 %	3.2 %	3.0 %
Total STD Sick Cost	\$12,731,863	\$13,737,826	\$14,660,086	\$41,129,775
Incidental Sick STD Cost	\$4,574,983	\$4,810,376	\$5,166,065	\$14,551,424
Incidental STD Cost as % of Gross Earnings	1.1 %	1.0 %	1.1 %	1.1 %

*Only Stat Holiday Banked Earnings are included above.

Total "Overtime" taken as Cash vs Time in lieu

	2014	2015	2016	Grand Total
All "Overtime" as % of Gross Earnings	4.1 %	4.0 %	3.6 %	3.9 %
All "Overtime"	\$17,920,070	\$18,437,402	\$16,882,353	\$53,239,825
Overtime Earnings	\$14,586,161	\$15,280,766	\$13,993,489	\$43,860,417
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Pager Earnings	\$49,336	\$49,416	\$49,652	\$148,404
"Overtime" Lieu Time as % of Total "Overtime"	11.4 %	11.8 %	12.6 %	11.9 %
Overtime Lieu Time as % of Total Overtime Earnings	8.6 %	9.1 %	9.5 %	9.1 %
Standby Lieu Time as % of Total Standby Earnings	9.3 %	7.1 %	7.8 %	8.0 %
Call In Lieu Time as % of Total Call In Earnings	1.9 %	2.0 %	1.7 %	1.9 %
Stat Holiday Lieu Time as % of Total Banked Stat Holiday Earnings	78.8 %	78.1 %	76.1 %	77.6 %
Incidental STD Cost as % of Gross Earnings	1.1 %	1.0 %	1.1 %	1.1 %

How "Overtime" breaks down across city departments

All "Overtime" - % of City Total	
PublicWorks	70.2%
Community&EmergencyServices	22.3%
Planning&EconomicDevelopment	2.9%
PublicHealth	2.6%
CorporateServices	1.6%
CityManager'sOffice	0.3%
CityHousingHamilton	0.2%
CityCouncil	0.0%
Grand Total	100.0%

Overall CES Department

	2014	2015	2016	Grand Total
All "Overtime" as % of Gross Earnings	2.2 %	2.4 %	2.3 %	2.3 %
All "Overtime"	\$3,656,210	\$4,186,305	\$4,005,808	\$11,848,324
Overtime Earnings	\$2,764,473	\$3,217,841	\$3,017,597	\$8,999,911
Standby Earnings	\$59,328	\$106,540	\$93,365	\$259,233
Call In Earnings	\$6,200	\$5,307	\$5,914	\$17,421
Banked Stat Holidays Earnings	\$801,275	\$831,760	\$863,687	\$2,496,722
Pager Earnings	\$24,934	\$24,859	\$25,244	\$75,037
"Overtime" Lieu Time as % of Total "Overtime"	19.1 %	20.8 %	23.2 %	21.1 %
Overtime Lieu Time as % of Total Overtime Earnings	2.5 %	7.0 %	9.2 %	6.3 %
Standby Lieu Time as % of Total Standby Earnings	0.0 %	0.0 %	0.0 %	0.0 %
Call In Lieu Time as % of Total Call In Earnings	0.0 %	3.4 %	0.0 %	1.0 %
Stat Holiday Lieu Time as % of Total Banked Stat Holiday Earnings	78.7 %	77.6 %	75.6 %	77.3 %
Incidental STD Cost as % of Gross Earnings	1.4 %	1.4 %	1.5 %	1.4 %

CES OVERTIME COSTS		
Total "Overtime" as % of City's overall cost	% of CES "Overtime" taken as Cash	% of CES "Overtime" taken as time in lieu
22.3%	93.7%	6.3%

Overall CES Department

All "Overtime" - % of City Total	
Community&EmergencyServices	22.3%
HamiltonParamedicServices	10.6%
Lodges	6.5%
HamiltonFireDepartment	4.1%
Recreation	0.8%
OntarioWorks	0.2%
Neighbrhd&CommunityInitiatives	0.1%
HousingServices	0.0%
Children&HomeMgmntSrvcs	0.0%
Community&EmergencySrvcsAdmin	0.0%
StrategicServices	0.0%

Overall Public Works Department

	2014	2015	2016	Grand Total
All "Overtime" as % of Gross Earnings	8.7 %	8.3 %	7.3 %	8.1 %
All "Overtime"	\$12,940,396	\$12,882,846	\$11,540,809	\$37,364,050
Overtime Earnings	\$10,973,007	\$11,191,142	\$10,131,575	\$32,295,724
Standby Earnings	\$884,443	\$968,144	\$881,772	\$2,734,359
Call In Earnings	\$1,032,839	\$679,475	\$480,787	\$2,193,100
Banked Stat Holidays Earnings	\$25,705	\$19,529	\$22,267	\$67,500
Pager Earnings	\$24,402	\$24,557	\$24,408	\$73,367
"Overtime" Lieu Time as % of Total "Overtime"	7.7 %	7.2 %	7.1 %	7.4 %
Overtime Lieu Time as % of Total Overtime Earnings	8.9 %	8.2 %	7.9 %	8.3 %
Standby Lieu Time as % of Total Standby Earnings	0.0 %	0.1 %	0.0 %	0.0 %
Call In Lieu Time as % of Total Call In Earnings	0.0 %	0.0 %	0.0 %	0.0 %
Stat Holiday Lieu Time as % of Total Banked Stat Holiday Earnings	80.5 %	98.9 %	92.8 %	89.9 %
Incidental STD Cost as % of Gross Earnings	0.9 %	0.9 %	0.9 %	0.9 %

Public Works OVERTIME COSTS

Total "Overtime" as % of City's overall cost	% of PW "Overtime" taken as Cash	% of PW "Overtime" taken as time in lieu
70.2%	91.7%	8.3%

Overall Public Works Department

All "Overtime" - % of City Total	
PublicWorks	70.2%
Transit	27.9%
Operations	14.8%
HamiltonWater	14.7%
EnvironmentalServices	6.4%
CorpAssets&StrategicPIng	5.2%
EngineeringServices	1.1%
PublicWorksAdmin	0.1%
Fleet&Facilities-Facil&Ops	0.0%

Divisional Overtime Summary

	3 Year Average Annual Spend	% of City's Overall Cost	% Taken as Cash	% Taken as Time in Lieu	% of Gross Earnings
Community & Emergency Services:					
EMS	\$1,887,524	10.6%	93.7%	6.3%	6.8%
Lodges	\$1,147,618	6.5%	41.9%	58.1%	3.7%
Fire	\$735,635	4.1%	99.9%	0.1%	1.3%
Public Works:					
Transit	\$4,957,306	27.9%	99.3%	0.7%	9.8%
Operations	\$2,626,613	14.8%	88%	12%	9.4%
Water	\$2,606,554	14.7%	85.2%	14.8%	10.6%

Who is accumulating “Overtime”

Job titles that accrue the top 90% of “Overtime”:

Transit

Row Labels	All "Extra Coverage" Earnings
Opr	87.8%
Inspector	5.3%
Automotive Mechanic	2.0%
Gen Repair Shift Foreman	0.8%
Body Repair Mechanic	0.6%
Service Line Worker	0.6%
Supt 6	0.5%
Service Line Worker Compressor	0.3%
VSC Foreman/Woman	0.3%
Transit Inventory Specialist	0.2%
Sr Stockkeeper	0.2%
Admin Asst III Operations	0.2%
Instructor Transit	0.2%
Transit Tech III	0.2%
Interior Cleaner	0.2%
Foreman/Woman III Service Line	0.1%
Operations Clerk	0.1%
Transit On Board Systems Techn	0.1%
Building Maintainer	0.1%
Maintainer	0.1%
Tire Repairer/Installer	0.1%
Machinist	0.1%

Hamilton Water Division

Row Labels	All "Extra Coverage" Earnings
Water Distribution Opr	19.7%
Maintenance Opr I	12.9%
Water Distribution Supv	9.5%
Process Supv	7.0%
Contractor Insp Water Di/W/W	5.7%
Instrumentation Techn	4.5%
Electrician	4.2%
Maintenance Opr II	4.0%
Technican K	3.8%
Environmntl Enforcemnt Officer	2.8%
Labourer/Truck Dr Mtce-OIT	2.7%
Hydraulic Backhoe Opr Water	2.0%
Millwright	1.9%
Customer Srvc Rep W/WW	1.7%
Electrical Supv	1.4%
Truck Driver Mtce OIT	1.4%
Mechanical Supv	1.3%
Wastewtr Coll System Opr	1.2%
CMMS Mtce Planner/Scheduler	1.0%
Backflow Prevention Officer	0.9%
Maintenance Opr III	0.8%
Stores Keeper II	0.7%
Proj Mgr 5 - IC	0.7%
Instrumentation Supv	0.7%
Trenchless Tech Spc Hydro Ex	0.6%
Supv 5	0.6%
Sr Water Meter Techn/Insp	0.6%
Supv 6	0.5%

Corporate Challenges & Opportunities

Challenges:

- Consistency
 - in the absence of a corporate time & attendance system, overtime is managed at the division/section level and in different systems (i.e. spreadsheets, Kronos)
- Lack of data
 - manual management results in inability to report & manage overtime corporately
- CBA language

Opportunities:

- Work with departments to investigate the implementation of a consistent process for the tracking and management of overtime through a corporate system of record
- Review CBA language in advance of bargaining to determine strategy for management of overtime.

Corporate Mitigation Strategies

- Division specific depending on service needs
- Overall can look at:
 - Increasing overtime taken as time in lieu versus cash
 - Review standby schedules to determine if they are needed 365 days per year
 - Look at scheduling and staffing levels
 - Find opportunities to pay for service at straight time versus overtime rates
 - Continued management of absenteeism

	Overtime Drivers	Opportunities/Mitigation	Challenges
CES	<ul style="list-style-type: none"> • Shift overrun while maintaining committed service levels • Low budgeted amounts for expected OT 	<ul style="list-style-type: none"> • Shift Replacement • End of Shift Overrun • Utilization of casual staff pool 	<ul style="list-style-type: none"> • Staff exposure to illness and injury due to nature of work • Aging workforce
PW	<ul style="list-style-type: none"> • Weather Events • Water main breaks • Regulatory needs for on call 	<ul style="list-style-type: none"> • Leverage use of Kronos to track and manage OT • Review standby schedules 	<ul style="list-style-type: none"> • Unpredictable needs • Workload • Difficult to recruit
Common	<ul style="list-style-type: none"> • Absence (STD, LTD, WSIB, PEL, vacation) • Staffing issues 	<ul style="list-style-type: none"> • Implementation of technology to track and manage overtime • Continued active management of absenteeism • Scheduling & staffing options to backfill at straight time • Encourage time in lieu vs Cashing out overtime • Re-evaluate response times and service levels 	<ul style="list-style-type: none"> • Lack of Technology • CBA Language: <ul style="list-style-type: none"> • limits the ability to use PT staff a straight time, forcing use of FT at OT rates (OPSEU). • requires any extra or unscheduled work to be paid at OT rates (ATU, OPSEU, Fire).