

# COUNCIL REPORT

**February 23, 2010**

**To: Mayor & Council**

**From: Bill Preisenz, CAO**

**Re: Overtime Analysis 2009**

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**Background:**

For the past six years, through regular monitoring and reporting of overtime throughout the year, Managers and Council have been updated on the costs associated with overtime on a department by department basis. This annual report includes 2009 overtime costs and compares these costs with previous years.

Total overtime paid out for 2009 was \$581,041 an increase of 4.1% as compared to 2008 overtime of \$558,025. Overtime costs for the past few years have varied significantly on a year to year basis as outlined below:

<b>CITY of KENORA</b>						
<b>2005 - 2009 Paid Overtime Analysis</b>						
<b>City Department</b>	<b>2005 Overtime</b>	<b>2006 Overtime</b>	<b>2007 Overtime</b>	<b>2008 Overtime</b>	<b>2009 Overtime</b>	<b>% Chnge 2008-09</b>
Telephone	\$10,842	\$6,989	\$13,323	\$1,545	\$0	0.0%
Ont.Works	\$201	\$287	\$97	\$655	\$568	-13.3%
Operations - Admin	\$15,288	\$6,576	\$16,683	\$9,483	\$4,789	-49.5%
Solid Waste	\$11,258	\$2,744	\$17,303	\$12,285	\$6,771	-44.9%
Sewer & Water	\$44,226	\$15,739	\$36,498	\$40,233	\$47,856	18.9%
Fleet	\$816	\$89	\$504	\$712	\$0	100.0%
Roads	\$94,933	\$41,927	\$94,026	\$59,469	\$63,547	6.9%
Water Plant	\$12,826	\$6,332	\$2,425	\$9,779	\$8,853	-9.5%
Sewage Plant	\$7,211	\$2,081	\$2,518	\$4,936	\$3,494	-29.2%
Day Care	\$833	\$530	\$1,468	\$1,626	\$4,836	197.4%
CAO - Admin	\$0	\$0	\$0	\$0	\$0	0.0%
Police	\$318,885	\$274,124	\$316,625	\$361,899	\$379,653	4.9%
Cemetery	\$852	\$716	\$476	\$621	\$213	-65.7%
Community Services	\$16,809	\$18,274	\$15,779	\$18,857	\$13,032	-30.9%
Fire & Emergency	\$57,851	\$48,160	\$51,032	\$32,139	\$46,240	43.9%
Finance & Admin	\$10,734	\$3,101	\$3,520	\$2,299	\$160	-93.0%
Museum	\$0	\$0	\$328	\$1,035	\$204	-80.3%
Planning		\$1,693	\$366	\$452	\$825	82.5%
<b>Totals</b>	<b>\$603,565</b>	<b>\$429,362</b>	<b>\$572,971</b>	<b>\$558,025</b>	<b>\$581,041</b>	<b>4.1%</b>

**Overtime Policy**

Overtime will continue to play a major part of the cost of delivering municipal services to the residents of the City of Kenora. Utilities and Fire provide 24-7 coverage and extend beyond the regular 40-42 hour week. There is a direct cost associated with overtime, call-out, and stand-by and must be weighed against the cost for additional staff or providing a different service delivery model.

Again it may be worthwhile to outline how overtime is recognized within all collective agreements as well as the salary policy for non-unionized staff:

- CUPE/IBEW - Time and one-half after 8 hours per day for up to 3 hours and double time thereafter; double time on statutory holidays and Sundays unless part of a regular shift
- KPFFA - 2 hour minimum callout @ time and one-half after their regular shift; after midnight 4 hour minimum callout @ time and one-half
- Non-Union - Senior Management are paid overtime when explicitly requested to work overtime @ straight time up to 45 hours in a regular week and time and one-half after 45 hours. Other workload extra-time is hour for hour and can only be taken off as time off in lieu.
  - Supervisory & Non-supervisory are paid overtime when explicitly requested to work overtime @ straight time up to 44 hours in a regular 40 hour week and time and one-half after 44 hours; paid overtime when explicitly requested to work overtime @ straight time up to 40 hours in a regular 36 ¼ hour week and time and one-half after 40 hours. Other workload extra-time is hour for hour and can be only taken off as time off in lieu.



### **Overtime Explanations**

In comparing overtime for all City Departments on a year-by-year basis, a 10% targeted reduction in overtime was identified for 2009. On a department to department comparison, the following Departments failed to meet the 10% target:

- Sewer & Water
- Roads
- Day Care
- Fire & Emergency Services
- Planning

Those Departments who have failed to meet the 10% target for 2009 have reconciled and provided explanations for overtime as per attached.

It is noted that both the Roads and Fire Departments recorded significant reductions in overtime in 2008, however, these savings were short-lived in 2009.

The Day Care Department suffered from an inability to attract and retain a staff complement in 2009 and subsequently, full time staff was required to cover-off on after-school programs. Overall, the total salary costs for 2009 for this Department was almost at the same level as 2008 salary levels.

The Police Department, on the other hand, with overtime costs of \$379,653 for only a part year in 2009 represents the highest overtime accrual since overtime information has been recorded.

### **The Lieu Time Report**

Identifies lieu time taken and is generally not a direct cost to a department, however, the challenge remains to manage lieu time in off-season so as not to disrupt service. For 2009, there has been a decrease in lieu time taken (\$13,391). Lieu time represented approximately 1.1% of total salary in 2009. Combined with the decrease in lieu time there has been a significant reduction in total salaries in 2009 from 2008 in the amount of \$1.461 million as a result of transfer of Ontario Works staff to the KDSB in March 2009 and dissolution of KPS in July 2009.

#### **2007 - 2009 Lieutime Analysis**

City Department	2007	2007	2008	2008	2009	2009	%
	Tot Salary	Lieutime	Tot Salary	Lieutime	Tot Salary	Lieutime	Total Salary
Telephone	\$2,058,503	\$14,844	\$0	\$0	\$0	\$0	0.0%
Ont.Works	\$390,250	\$3,620	\$390,583	\$4,919	\$81,592	\$455	0.6%
Operations - Admin	\$1,118,964	\$20,168	\$1,228,849	\$21,203	\$1,440,737	\$11,949	0.8%

Solid Waste	\$502,396	\$17,699	\$448,247	\$9,057	\$503,235	\$8,106	1.6%
Sewer & Water	\$479,339	\$25,788	\$608,692	\$11,445	\$523,857	\$16,666	3.2%
Fleet	\$225,611	\$702	\$206,487	\$1,004	\$255,692	\$982	0.4%
Roads	\$817,947	\$28,469	\$1,003,095	\$37,639	\$960,256	\$27,321	2.8%
Water Plant	\$208,508	\$12,537	\$188,555	\$1,918	\$241,805	\$7,802	3.2%
Sewage Plant	\$164,739	\$956	\$165,800	\$695	\$177,732	\$891	0.5%
Day Care	\$231,012	\$0	\$250,644	\$165	\$251,136	\$325	0.1%
CAO - Admin	\$392,521	\$5,408	\$369,360	\$2,849	\$305,916	\$2,164	0.7%
Police	\$3,884,779	\$0	\$4,379,987	\$0	\$2,640,782	\$0	0.0%
Cemetery			\$1,828	\$330	\$196,463	\$1,703	0.9%
Community Services	\$1,644,861	\$27,344	\$1,209,051	\$17,700	\$1,358,891	\$22,554	1.7%
Fire & Emergency	\$919,737	\$0	\$982,329	\$197	\$1,026,344	\$0	0.0%
Finance & Admin	\$1,197,756	\$20,758	\$1,252,369	\$15,623	\$1,267,163	\$14,992	1.2%
Museum	\$159,404	\$6,164	\$179,186	\$9,106	\$172,639	\$4,549	2.6%
Totals	<b>\$14,396,328</b>	<b>\$184,457</b>	<b>\$12,865,062</b>	<b>\$133,850</b>	<b>\$11,404,240</b>	<b>\$120,459</b>	<b>1.1%</b>

### **Summary**

The continued monitoring of overtime costs is an important aspect of cost containment within departmental budgets and yet it must be recognized that overtime provides a viable alternative in maintaining service levels for some municipal operations without hiring additional staff. Some overtime is deemed to be non-discretionary and is incurred in response to maintaining a service or responding to an emergency, however, as Managers, we must be prepared to justify the use of overtime in the delivery of municipal services.

### **Recommendation:**

That Council of the City of Kenora hereby receive the 2009 Overtime Analysis Report dated February 23, 2010.