

## For Information Only

### 2008 Permanent Positions, Temporary and Overtime Hours Report

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### Recommendation

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## Executive Summary

This report will provide detailed information regarding 2008 budgeted to actual figures for permanent positions, overtime hours and temporary hours.

## Background

During the 2010 budget deliberations, Finance Committee requested a report on permanent positions, overtime hours and temporary hours worked and how it relates to what was budgeted.

In order to make this analysis meaningful, a more global approach must be used to identify variances. As a result, staff first analyzed the salary and fringe benefit component for each department by comparing budgeted values to actual expenditures. When major variances were identified, staff drilled down into the divisions within the departments to determine the issues that provided the variances.

On occasion, salaries and fringes exceeded the budgeted values; however, in some cases these over expenditures were offset by vacancies in permanent staff positions, additional provincial subsidies or external funding, reductions in purchased services, funded by reserves or was a requirement in order to keep the operation safe and effective.

### Charts

Chart 1 reflects the salary component for each department in the City of Greater Sudbury. Appearing on the chart are three columns; 2008 Budget, 2008 Actual and the differential.

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Chart 2 reflects the permanent staff as of December 31, 2008, showing the number of employees on leave and the number of vacancies.

Chart 3 reflects the budgeted overtime hours and actual overtime hours for the entire year by division within each department.

Chart 4 reflects the 2008 budgeted and actual temporary hours for the year by division within each department.

## **Permanent Positions**

Throughout any year, staff vacancies occur within departments for a number of reasons; retirements, leaves of absence, promotions and terminations.

A snapshot of the permanent active staff was taken on December 31, 2008 to determine the number of vacancies in the municipality. This number would be representative of the number of vacancies during any period of the year. At that time there were 39 permanent staff vacancies and there were 94 permanent staff on leave.

As a result, the work that was previously performed by permanent staff had to be undertaken by other permanent staff on overtime hours or by additional temporary staff. This is the main reason for both overtime hours and temporary hours being over budget in 2008. Although attempts are made to fill these vacant positions, staff are not always successful as market conditions may make finding a suitable candidate difficult.

## **Departmental Variance Analysis**

### *Executive & Administrative*

Within the Executive and Administrative Division, as well as the Administrative Services Division, there are no major variances in budgeted to actual dollars. A review of the overtime and temporary hours reflects no major variances.

### *Human Resources*

This area reflects a net under expenditure of approximately \$1.5 million, which is mostly attributed to excess funds related to health premiums being returned to the City from Manulife. In accordance with the Reserve and Reserve Fund By-law, this amount was contributed to the Human Resources Reserve Fund. There is no overtime in this area as it is made up entirely of non union personnel.

### *Growth and Development*

This department reflects a slight over expenditure in the salary and fringe benefit category. The majority of this pertains to the Transit Section where overtime is over budget by approximately \$230,000, and unbudgeted modified work costs. In addition, more part time hours were required in Transit and Building Services to offset the leaves of absence in these divisions.

### *Financial Services*

This area reflects a net over expenditure in the salary component; however, this is due to a contractual commitment of approximately \$400,000, which is offset by a contribution from reserves. With the removal of this one item, Financial Services is under budget in salaries due to vacancies throughout the year which were in part substituted by purchased services.

### Community Development

This department reflects a significant over expenditure in salaries and fringe benefits by \$1.7 million in 2008. The majority of this amount relates to overtime at Pioneer Manor. Historically, Pioneer Manor has not budgeted for overtime because the work program was developed to minimize overtime requirements to maintain a twenty-four hour operation.

The significant overtime that is now being incurred is in part due to difficulties in recruiting and retaining qualified staff, replacement of staff on modified work, additional staffing requirements as a result of interim beds and a high number of leaves and vacancies. Modified work has not only resulted in the need for overtime (ie: replacement of staff) but it also has in itself escalated to levels well beyond what has been budgeted.

Another division that experienced increased salary and fringe benefit costs was the Leisure Services Division in four main sections: Parks, Community Halls, Pools and Arenas. In some cases these additional expenditures were offset by increase revenues or decreased purchased services while in other instances these costs added to the net over expenditures.

Somewhat offsetting the previous two items is Ontario Works where there have been a number of vacancies throughout the year.

### Infrastructure Services

There were salary over expenditures in the Water / Wastewater Division, mostly related to relief supervision pay and overtime costs. In accordance with policy, shortfalls in this division are offset by contributions from the Water and Wastewater Reserve Funds, therefore having no effect on the City's financial position.

The Roads Division also reflected an over expenditure in the salary category relating mostly to winter control due predominantly to pothole repairs and increased winter supervision costs. These were offset somewhat by an under expenditure in the salary category of the summer roads section. The winter control over expenditure was also partially funded by a contribution from the Roads Winter Control Reserve Fund.

The attached charts will reflect estimated budgeted overtime hours and temporary hours in the operations area. The reason for this is that in the Municipal Management Maintenance System (MMMS), where all costs for work activities are captured, crew hours are used as its manpower component. Crew hours are made up of hours worked by permanent and temporary employees as well as overtime. The labour cost component uses a rate of pay that incorporates all of these inputs.

For the purpose of this report, these estimates of overtime and temporary hours are included in the appropriate charts for comparison purposes.

### Emergency Services

The Emergency Medical Services had an over expenditure in the salary category resulting from the increased use of overtime due to vacancies in paramedic positions throughout the year. In addition to

increased use of overtime, increased number of temporary hours were also used to offset leaves and vacancies in order to maintain service hours to handle off loading delays. There was no impact on the City's year end position as the provincial grant offset any potential shortfall.

### Fire Services

The overtime component of this department exceeded budgeted values. The use of additional overtime was required to offset employee leaves of absence and staff vacancies. As well, payouts for terminated employees related to sick leave and vacation increased the over expenditure. Over the past few years the monetary allocations for overtime has been revised, however, the corresponding hours have not been adjusted to accurately reflect these changes. In the 2011 budget, the overtime hours will be corrected to correspond to dollars that have been budgeted. This will not result in any levy impact.

### Police Services

The salary category of the Police Services was over budget due mainly to the uptake of federally and provincially funded programs to add officers to most police forces in Ontario, therefore was no impact on the City's year end financial position as a result of participating in this initiative. In addition, the Police Services incurred expenditures in sick leave and vacation payouts for terminated employees.

The Police Services budget contains include an annual allocation for overtime costs. In 2008, overtime costs were under budget.

### **Summary**

This report identifies variances in the salary category of the City's operations. It should be noted that even when there were over expenditures in salaries, it did not necessarily lead to an over expenditure for the division as there may have been other items that offset this salary component. These over expenditures in overtime and temporary hour costs have been funded by any of the following sources:

- Vacancies in permanent staff positions
- Additional provincial subsidies
- Other funding sources
- Reduction in other category expenditures
- Reserves
- Succession planning reserve

As well, many salary expenditures, such as vacation and sick leave payouts for terminated employees, job evaluation payouts, vacation pay differences and pay equity issues are not budgeted for. This totals approximately \$2.6 million.

In addition, some of the over expenditures in salaries were as a result of keeping the operation going, such as winter control and Pioneer Manor.

Managers make every attempt to offset over expenditures in salaries by reducing other category expenditures or by securing other funding.

**Chart 1  
Salaries & Benefits Analysis**

	<b>Budget 2008</b>	<b>Actual 2008</b>	<b>Differential</b>
<b>Executive &amp; Administration</b>	1,439,898	1,461,913	(22,015)
<b>Administrative Services</b>	5,987,920	5,999,480	(11,560)
<b>Human Resources</b>	3,928,007	2,428,250	1,499,757
<b>Growth &amp; Development</b>	19,581,978	19,840,493	(258,515)
<b>Financial Services</b>	4,213,714	4,501,811	(288,097)
<b>Community Development</b>	45,679,581	47,394,748	(1,715,167)
<b>Infrastructure Services</b>	33,621,581	34,779,476	(1,157,895)
<b>Emergency Services</b>	12,593,549	12,806,896	(213,347)
<b>Fire Services</b>	14,194,322	14,525,737	(331,415)
<b>Police Services</b>	36,031,183	36,986,962	(955,779)
<b>Total</b>	<b>177,271,733</b>	<b>180,725,766</b>	<b>(3,454,033)</b>

**Chart 2**  
**2008 Full Time Analysis**

	As of December 31, 2008	Actual # of Positions	# of Leaves	# of Vacancies	# Budgeted Positions
<b>Executive &amp; Administration</b>		7	-	-	7
<b>Administrative Services</b>		65	6	-	71
<b>Human Resources</b>		19	-	3	22
<b>Growth &amp; Development</b>					
Economic Development		16	1	-	17
Planning & Development		38	4	(1)	41
Sudbury Airport Operation		16	-	(3)	13
Building, Compliance & Development		38	2	-	40
Transit & Parking Services		106	9	(4)	111
<b>Total for Growth &amp; Development</b>		214	16	(8)	222
<b>Financial Services</b>		53	-	-	53
<b>Community Development</b>					
Administration		5	2	1	8
Housing Services		11	-	-	11
Pioneer Manor		153	12	16	181
Social Services		86	4	4	94
Citizen Services		89	8	3	100
Leisure & Recreation Services		77	4	6	87
<b>Total for Community Development</b>		421	30	30	481
<b>Infrastructure Services</b>					
Financial Support Services		21	2	-	23
Engineering Services		49	1	6	56
Assets Management		52	3	-	55
Water Waste Water Services		28	2	-	30
Roads Services		26	2	-	28
Environmental Services		7	1	-	8
Outside Workers		202	14	7	223
<b>Total for Infrastructure Services</b>		385	25	13	423
<b>Emergency Services</b>		121	8	-	129
<b>Fire Services</b>		125	3	1	129
<b>Police Services</b>		352	6	-	358
<b>Grand Total</b>		1,762	94	39	1,895

**Chart 3**  
**2008 Overtime Hours**

	2008 Actual	2008 Budget
Name	hrs	hrs
<b>Administrative Services</b>		
260 Com & French Lang Serv	127	500
1505 Legal Services	662	
1510 Clerk's Services	891	525
1550 Provincial Offences	112	
1110 Information Technology	60	100
1115 Business Applications	499	250
1120 Network & Support	280	250
<b>Administrative Services</b>	<b>2,630</b>	<b>1,625</b>
<b>Growth &amp; Development</b>		
Economic Development	306	250
Planning & Development	613	0
Sudbury Airport Operation	3,236	1,400
Building, Compliance & Enforcement	2,557	0
Transit & Parking Services	8,513	1,640
<b>Total for Growth &amp; Development</b>	<b>12,017</b>	<b>3,290</b>
<b>Financial Services</b>		
	<b>2,345</b>	<b>1,565</b>
<b>Community Development</b>		
Pioneer Manor	38,665	0
Social Services	81	0
Citizen Services	2,851	0
* Leisure & Recreation Services	9,008	4,833
<b>Total for Community Development</b>	<b>50,604</b>	<b>4,833</b>
<b>Infrastructure Services</b>		
Engineering Services	11,968	5,651
Asset Management	3,873	50
* Water Waste Water Services	14,461	8,256
* Roads Services	28,462	12,072
* Environmental Services	881	538
<b>Total for Infrastructure Services</b>	<b>59,644</b>	<b>26,567</b>
<b>Emergency Services</b>		
	<b>23,530</b>	<b>3,770</b>
<b>** Fire Services</b>		
	<b>13,117</b>	<b>1,695</b>
<b>Police Services</b>		
	<b>5,020</b>	
<b>Grand Totals</b>	<b>168,908</b>	<b>43,345</b>

\* Note 1: MMMS crew hours are made up of regular hours, temporary hours and overtime hours; the 2009 budget represents an estimate of budgeted overtime hours based on a proration of actual hours utilized.

\*\* Note 2: The annual allocation for overtime in Fire Services has changed over the years; however, the reporting of the number of budgeted overtime hours has not changed and does not reconcile to the budgeted monetary allocation. Therefore, the 2011 budget will be developed to correctly align the number of overtime hours that the monetary allocation represents. This will not have any levy impact.

Chart 4  
2008 Part time & Temporary Hours

	2008 Actual	2008 Budget
Name	hrs	hrs
Corporate	524	457
Executive & Administration	875	3,654
Administrative Services	12,155	8,874
Human Resources	20,440	11,725
<b>Growth &amp; Development</b>		
Economic Development	21,310	17,346
Planning & Development	19,814	24,795
Sudbury Airport Operation	924	2,720
Building, Compliance & Enforcement	3,526	-
Transit & Parking Services	121,028	89,382
Total for Growth & Development	166,602	134,243
Financial Services	9,709	7,791
<b>Community Development</b>		
General Manager's Office		875
Housing Services	1,018	3,197
Pioneer Manor	317,172	258,632
Social Services	1,741	
Citizen Services	81,020	70,291
* Leisure & Recreation Services	321,557	306,217
Total for Community Development	722,508	639,212
<b>Infrastructure</b>		
Financial Support Services	4,461	
Engineering Services	22,185	11,941
Assets Management	8,407	1,592
* Water Waste Water Services	35,589	20,715
* Roads Services	106,304	48,224
* Environmental Services	12,992	7,520
Total for Infrastructure Services	189,937	89,992
Emergency Services	61,625	20,962
Fire Services	338	328
Police Services	77,007	37,800
<b>Grand Total</b>	<b>1,261,721</b>	<b>955,038</b>

\* Note 1: MMMS crew hours are made up of regular hours, temporary hours and overtime hours; the 2008 budget represents an estimate of budgeted temporary hours based on a proration of actual hours utilized.