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Subject: Controller's Office Report: FY 2012-13 ANNUAL OVERTIME REPORT

FY 2012-13 ANNUAL OVERTIME REPORT:

Administrative Code Section 18.13-1 requires the Controller to submit overtime reports to the Board of Supervisors and the Mayor's Budget Director at the time of the six-month and nine-month reports, and annually. This annual report displays overtime budgets, total expenditures, and overtime hours for FY 2012-13. The report also addresses departmental compliance with permissible overtime limits by employee.

Overtime expenditures in FY 2012-13 were \$163.8 million, which was \$7.0 million higher than budget, and \$9.7 million or 6.3% greater than in FY 2011-12. A total of 384 employees exceeded the maximum overtime threshold.

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City and County of San Francisco

Office of the Controller

FY 2012-13 Annual Overtime Report



January 30, 2014

City and County of San Francisco

Office of the Controller - Budget and Analysis Division

FY 2012-13 Annual Overtime Report

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Administrative Code Section 18.13-1(a) requires the Controller to submit overtime reports to the Board of Supervisors at the time of the Six-month and Nine-month Budget Status Reports, and annually. The Controller is required to identify the five highest overtime user departments and report on the cause and potential mitigation for any excessive overtime spending, compliance with the maximum thresholds for overtime as a percentage of total hours worked, and compliance with the maximum total hours worked per week. This annual report addresses overtime budgets and actual expenditures, and includes an analysis of overtime use. Recommendations to address overtime usage are included in this report.

Highlights

During fiscal year (FY) 2012-13, City departments spent \$163.8 million on overtime, which is \$7.0 million or 4.5% more than revised overtime budgets and \$9.7 million or 6.3% more than they spent in FY 2011-12. Overtime hours between FY 2011-12 and FY 2012-13 increased 4% from 2.5 million to 2.6 million. Overtime as a percentage of overall Citywide spending remained relatively flat at 1.8%. All of these measures are below the expenditure highs in FY 2007-08 of \$168 million, 2.9 million hours and 2.5% of Citywide spending.

The Controller's Office recommends a review of provisions in some Memoranda of Understanding (MOU) both regarding seniority for overtime scheduling and the type of work hours used as the basis for triggering overtime compensation which may reduce overtime expenditures. Additionally, recommendations to enhance management practices including increased hiring in some job classes and allocating overtime hours in the beginning of the year may also reduce overtime expenditures and improve overtime management.

The five City departments that used the most overtime, Municipal Transportation Agency, Fire, Police, Public Health, and Sheriff, collectively account for 87.6% of total Citywide overtime expenditures. Details of overtime spending for additional City departments are included in Appendix 1. Highlights of the top user departments include:

- **Sheriff's Department:** Over the past ten years, overtime spending for the Sheriff's Department ranged from a low of \$5.6 million to a high of \$15.3 million. Between FY 2007-08 and FY 2011-12, overtime spending declined by 45% from \$15.3 million to \$8.4 million as the City jail population declined from an average count of 2,085 to 1,531. In FY 2012-13, overtime spending increased to \$10.7 million while the average jail population stayed flat with at 1,530. During this period, as the number of total staff has decreased, additional overtime was used to maintain jail coverage.
- **Municipal Transportation Agency (MTA):** Overtime expenditures over the past 10 years have grown from \$28.6 million to \$48.7 million in FY 2012-13. In the past year, overtime

expenditures decreased by 13% from the FY 2011-12 total. Transit operators and associated job classes accounted for 71% of overtime use within the Department in FY 2012-13, with maintenance job classifications accounting for 23%. Continued emphasis on increased hiring in transit and maintenance job classes, including but not limited to part-time operators and electrical and automotive mechanics, may help reduce overtime usage in the MTA. Additionally, a review of MOU provisions regarding seniority requirements when scheduling overtime may lead to decreased overtime usage.

- **Department of Public Health (DPH):** Overtime expenditures over the past 10 years ranged from a low of \$8.9 million to a peak of \$17.0 million in FY 2007-08. In FY 2012-13, the average overtime expenditure per FTE in Laguna Honda Hospital was \$5,115, or nearly three times the average overtime expenditure of \$1,832 per FTE in San Francisco General Hospital. The Department's overtime spending as a percentage of regular salaries is the lowest of highlighted departments at 2%. Adjustments to MOU provisions that would expand options to schedule staff based on criteria in addition to seniority may reduce overtime expenditures in those departments that have 24-hour operations such as the Department of Public Health. Additionally, increased hiring in those nursing and non-nursing healthcare job classes that have experienced high overtime may reduce overtime usage.
- **Fire Department:** Overtime expenditures over the past 10 years have increased from \$9.9 million to a high of \$43.8 million in FY 2012-13. Overtime use within the Department is the result of deliberate Department decisions regarding how to cost-effectively meet minimum staffing requirements. As new classes of fire fighters join the workforce, overtime usage is expected to decrease.
- **Police Department:** Overtime expenditures over the past 10 years have increased from \$22.6 million to \$27.7 million in FY 2012-13. Overtime expenditures have decreased by 34% since the ten year high of \$41.7 million in FY 2007-08. In FY 2012-13, 38% of overtime expenditures or \$10.4 million, was reimbursed by event organizers.

Recommendations

Recommendations to decrease the use of overtime can be made both at the department level and within MOUs between the City and employee organizations. A combination of adjustments to seniority scheduling criteria in MOUs, and changes in management practices that lead to overtime, can reduce overtime use and expenditures throughout the City.

MOU Adjustments

MOUs between some employee organizations and the City affect the use of overtime, particularly in the areas of scheduling and in round-the-clock Departmental operations. The Controller's Office recommends that the Department of Human Resources identify alternative methods to support decreased use of overtime via exploration of adjustments to MOU provisions. These provisions include, but are not limited to adjustment of seniority scheduling provisions, adjusting the basis on which overtime is triggered, and a review of provisions that increase the amount of concurrent leave time that is filled with overtime hours.

Seniority Scheduling

In terms of seniority scheduling, adjustment to scheduling provisions that lead to little flexibility for some staff may result in less staff absences that require overtime to fill the schedule slots. Adjustments to seniority scheduling provisions would have a significant affect in those departments that require 24-hour operations, including but not limited to the Department of Emergency Management, Public Health, and Juvenile Probation.

Basis for Determining Overtime

Adjustment of the basis on which overtime hours are triggered may reduce overall overtime. For example, if straight-time work hours, rather than paid leave hours, become the basis for the application of overtime compensation and hours, overtime may be reduced. Those MOUs with trade organizations would be among those affected.

Management Practices

Among the five highest overtime-user departments, the peak levels of overtime use are concentrated in several job classes, including: transit job classes, municipal maintenance job classes, and nursing and non-nursing health care jobs. Increased hiring in these classes should result in reduced overtime usage.

Additionally, pre-planning overtime use at the beginning of the year, and engaging supervisors and staff at multiple levels may also help reduce overtime usage. For example, the Police Department allocates its overtime budget by each of its four bureaus, and supervisors at multiple levels communicate with leadership regarding overtime use on a regular basis throughout the year. In another example, the Department of Emergency Management was able to effectively stay within its overtime budget in FY 2012-13 by working across levels and job classes to closely monitor overtime usage. Allocation of the overtime budget by functional unit and/or location, and collaboratively engaging supervisors to help monitor usage, allows the Department to proactively manage overtime use throughout the year.

Section I: Citywide Overtime Use

As shown in Figure 1, during FY 2012-13 City departments spent \$163.8 million on overtime, which was \$9.7 million (5.9%) above the prior year, but \$3.9 million (2.4%) less than FY 2007-08's peak. Overtime hours increased at a higher rate, rising 0.25 million (8.9%) from the prior year, but still 0.28 million (9.1%) below the FY 2007-08 peak.

Figure 2 presents two other ways to look at overtime trends that factor in changes in the overall size of the workforce and City budget. FY 2012-13 overtime hours represented 4.6% of regular (straight-time) hours, which was an increase from the prior year, but below FY 2007-08's peak of 5.1%. Overtime spending in FY 2012-13 represented 1.8% of the \$9.0 billion total Citywide expenditures, essentially unchanged from the prior year two years, and was well below the FY 2007-08 peak of 2.5%.

Figure 1. 10-year History of Overtime Hours and Overtime Dollars (millions)

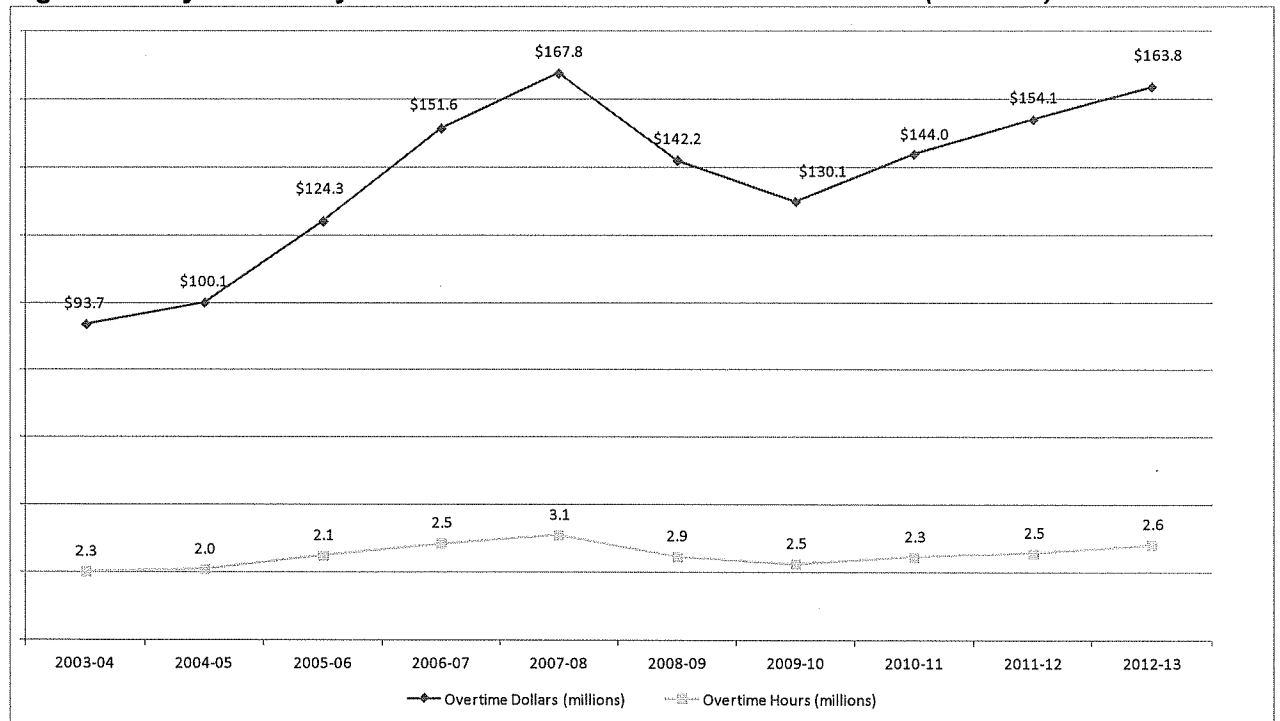
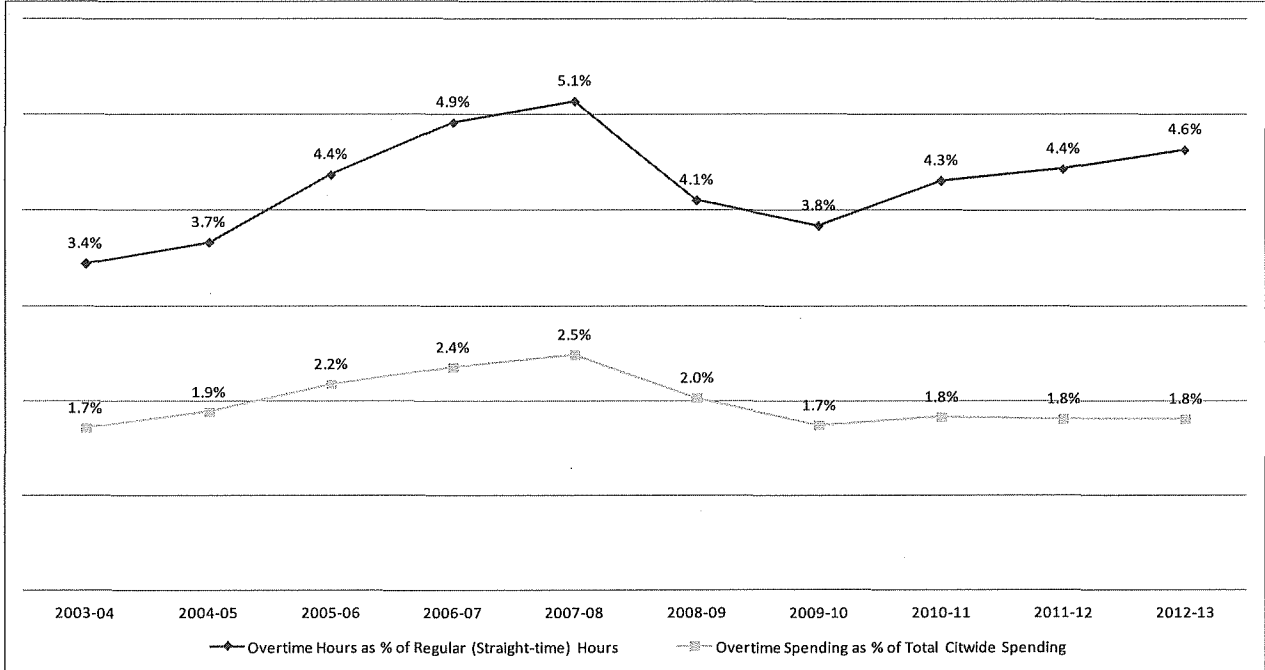


Figure 2. Overtime as % of Regular Straight-time Hours and Citywide Spending



Section II: Overtime Use for Highest User Departments

As shown in Table 1, the five highest overtime user departments (MTA, Fire, Police, Public Health, Sheriff) accounted for 88% of overtime dollars spent Citywide. Factors contributing to overtime use include:

- Full time equivalent (FTE) reductions without reducing service levels
- 24-hour operations and minimum staffing requirements
- Labor contract provisions that can drive overtime use
- Unexpected Citywide events that exceeded available regular time or budgeted overtime

In most situations, overtime is a deliberate budgetary choice departments make to maintain service levels without increasing FTEs.

Table 1 shows expenditures for the five highest user departments in FY 2012-13. Additional departments are included in Appendix 1.

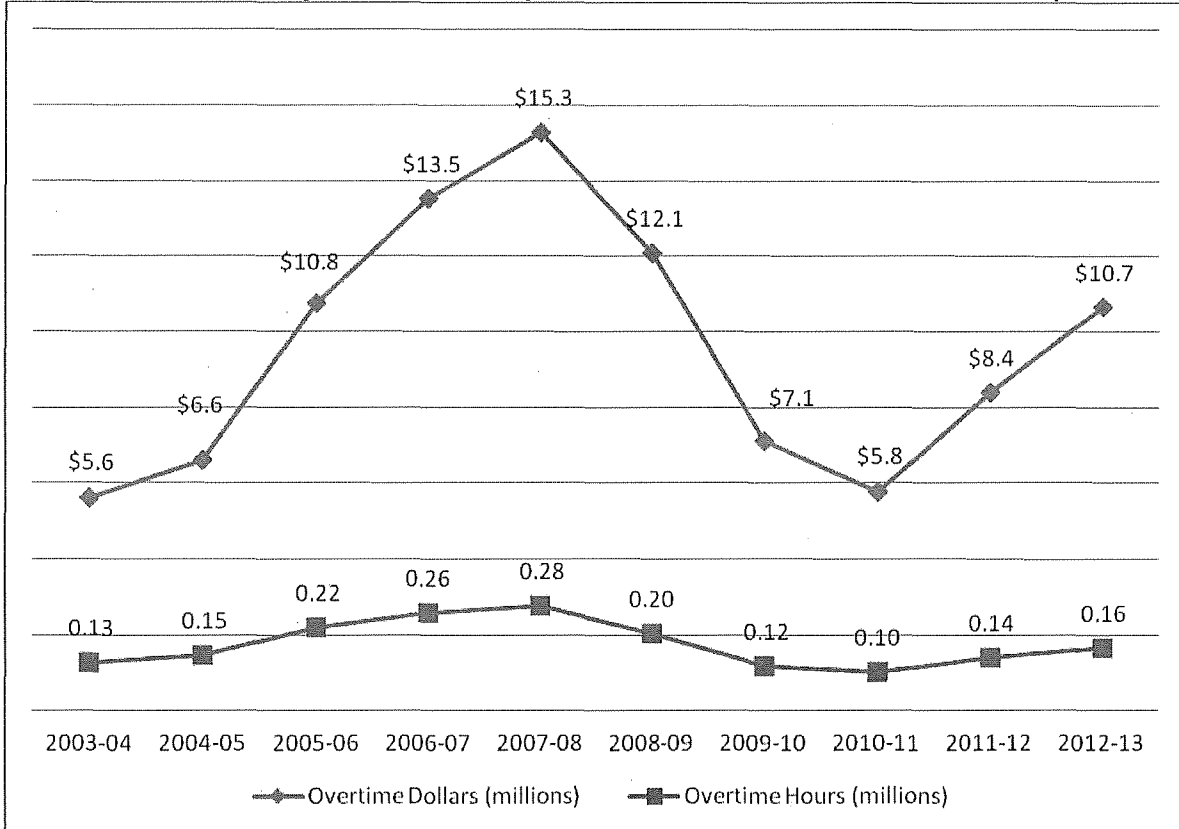
Table 1. FY 2012-13 Overtime Budget and Actual Expenditures by Department (\$ millions)

	Revised Budget	Actual Overtime Expenditures	Revised Budget vs. Actual Expenditures	Average Overtime \$ per FTE
Municipal Transportation Agency (MTA)	43.6	48.7	(5.1)	10,993
Fire	43.5	43.8	(0.3)	30,903
Police	28.2	27.7	0.5	10,653
Public Health	12.6	12.6	-	2,152
Sheriff	10.5	10.7	(0.2)	10,971
All Other Departments	18.4	20.4	(2.0)	1,583
Grand Total	\$156.8	\$163.8	(\$7.0)	\$5,810

A. Sheriff's Department

Over the past ten years, overtime spending for the Sheriff's Department ranged from a low of \$5.6 million to a high of \$15.3 million. Overtime spending increased 173% between FY 2003-04 and FY 2007-08, and has since decreased by 30%. Overtime hours followed a similar trend and increased by 118% between FY 2003-04 and FY 2007-08 and have since decreased by 30%. Figure 3 shows overtime spending and hours within the Department over the past 10 years.

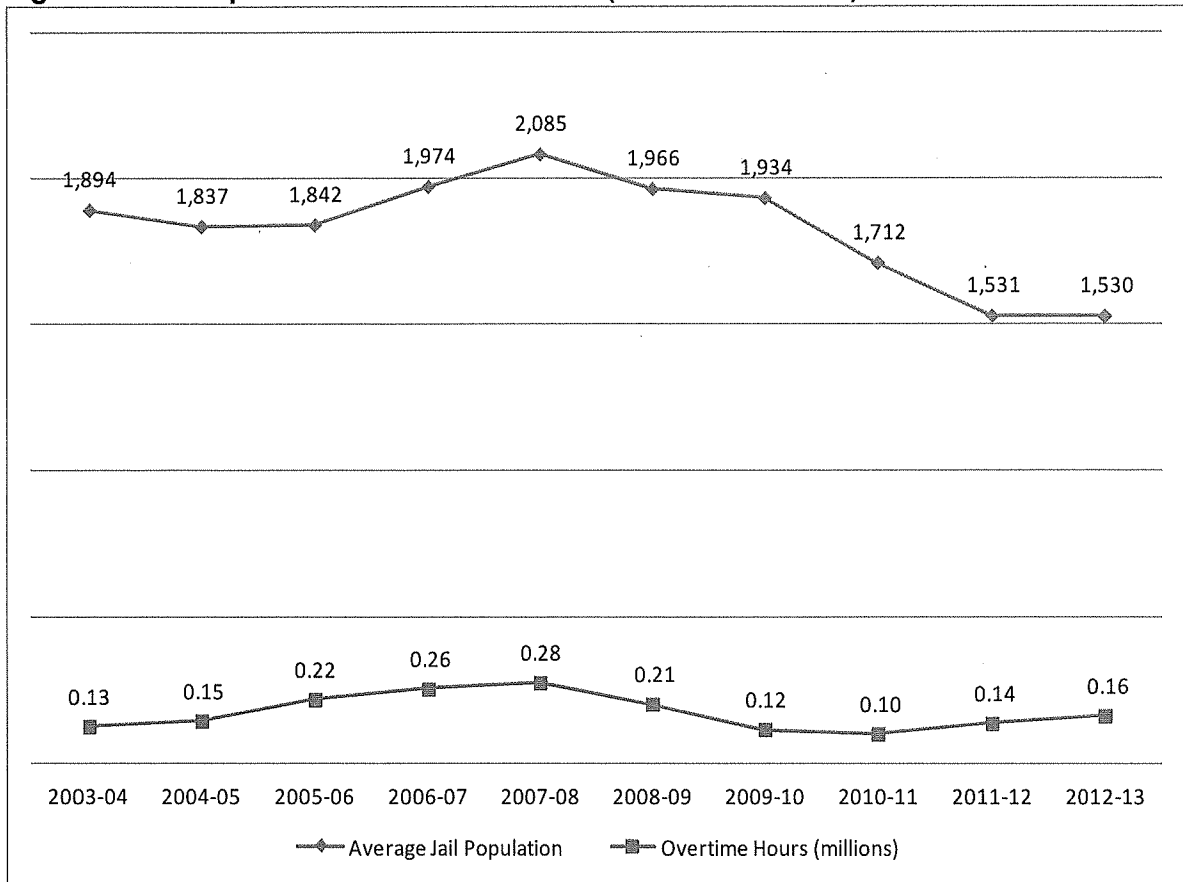
Figure 3. 10-Yr History of Sheriff's Department Overtime Dollars and Hours (\$ millions)



As shown in Figure 4, between FYs 2003-04 and 2007-08, the average annual jail population increased by 10% and overtime hours increased by 118%. Between FYs 2007-08 and 2010-11, the average annual jail population decreased by 18% and overtime hours decreased by 63%. The above trend has not continued over the past two years as the average jail population decreased by 11% between FY 2010-11 and FY 2012-13 and overtime hours increased by 61%. The Sheriff's Department identified an increased number of employees on disability leave, retirements, and not being able to hire deputies as a reason for the increase in overtime use.

Another significant driver of overtime within the Department was an increased use of vacation time. Between FYs 2011-12 and 2012-13 vacation hours increased by 17% from 120,000 hours to 140,000 hours due to an increased number of vacation slots for some deputies negotiated during the last round of collective bargaining.

Figure 4. Jail Population and Overtime Use (hours in millions)

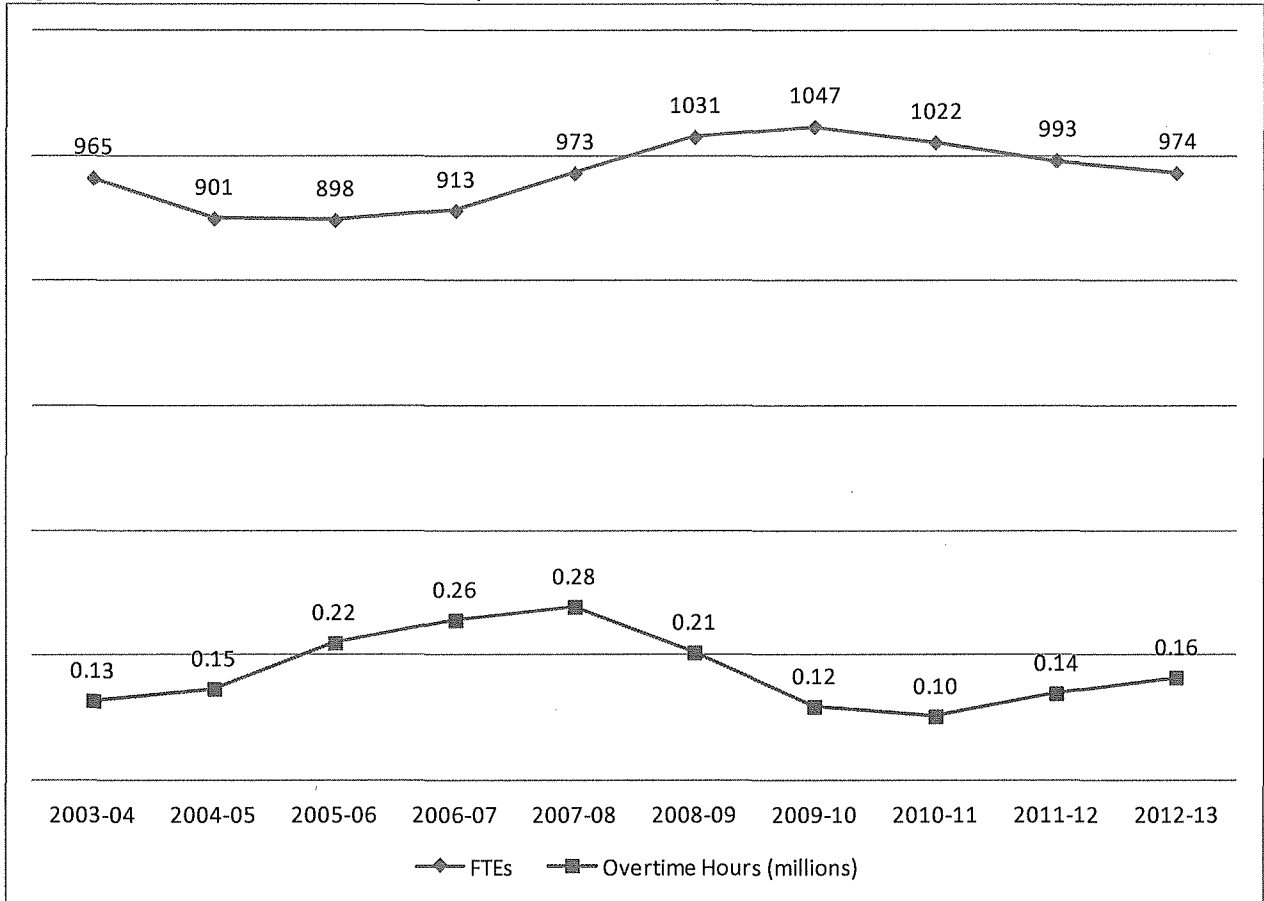


Deputy Sheriffs are responsible for the majority of overtime use within the department. The Department adheres to minimum staffing levels at all of the City’s jails and when staffing falls below the minimum, overtime is used to fill shifts.

Staffing

Figure 5 shows the relationship between FTEs and overtime use. Review of the number of FTEs and overtime use in the past decade does not indicate a strong correlation between staffing levels and overtime. Over the past 10 years, FTEs have increased by 1% while overtime hours have increased by 29%. However, between FYs 2003-04 and 2007-08, the number of FTEs increased by 1% while overtime use increased by 118%. Between FYs 2007-08 and 2012-13 FTEs stayed constant while overtime use decreased by 41%. As noted above, jail population and vacation use appear to be stronger drivers of overtime use than the number of FTEs.

Figure 5. FTEs and Overtime Use (hours in millions)



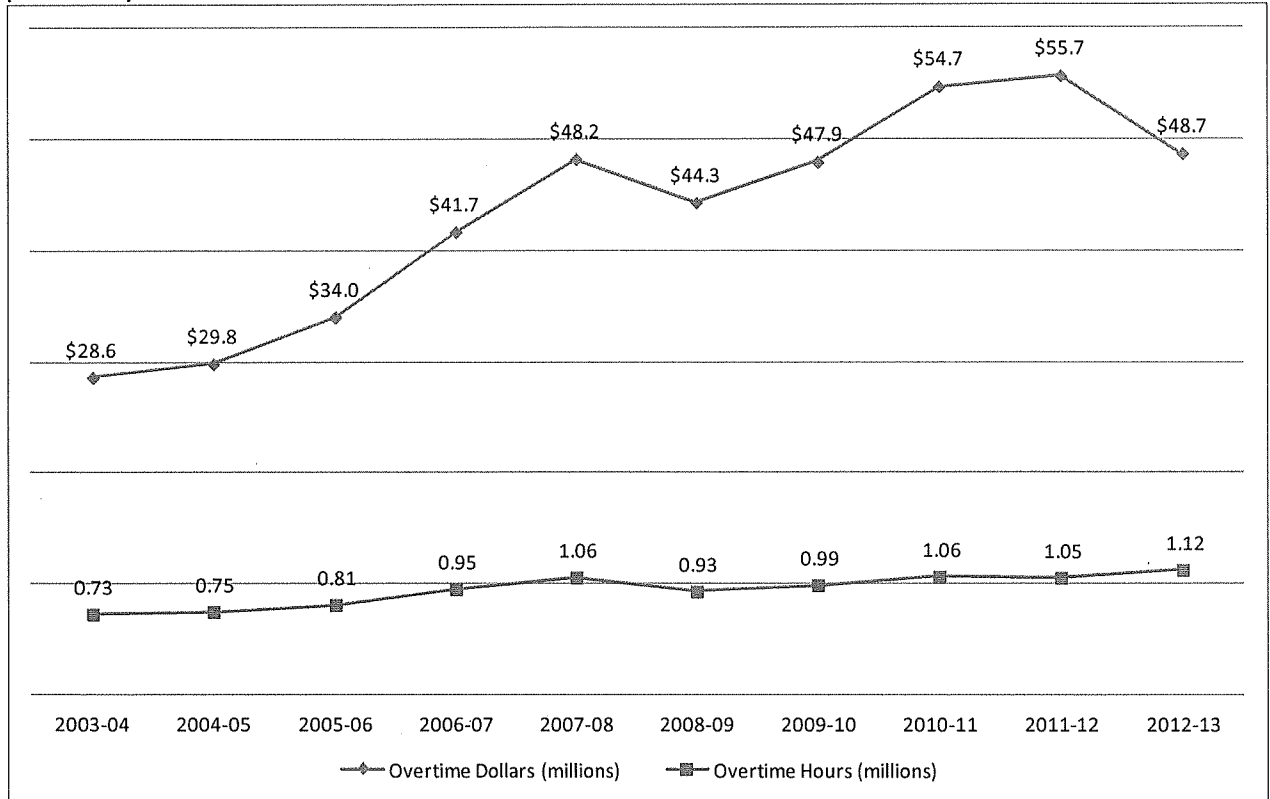
Recommendations

The Controller's Office recommends that DHR review MOU language that maintains a separate vacation bidding process for Senior Deputies, as this results in a higher number of open shifts that will then be partially covered with overtime.

B. Municipal Transportation Agency

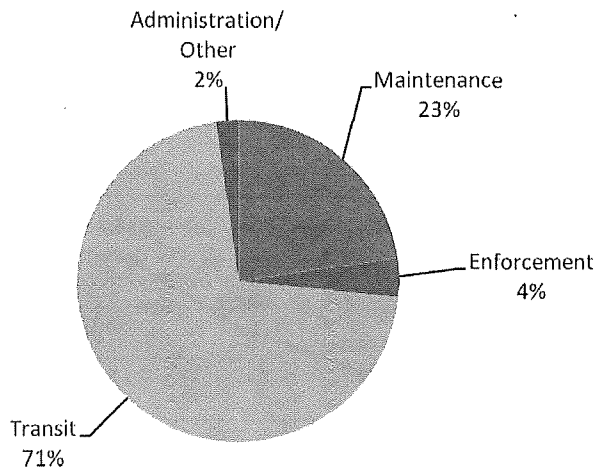
As shown in Figure 6, MTA overtime expenditures have increased 70% over the past 10 years, rising from \$28.6 million in FY 2003-04 to \$48.7 million in FY 2012-13. Overtime expenditures decreased by 13% from FY 2011-12 to FY 2012-13, due primarily to increased hiring of maintenance staff and a deliberate effort by management to reduce overtime use. Overtime hours increased by approximately 54% over the past ten years, from 0.73 million to 1.12 million hours.

Figure 6. MTA Overtime Dollars and Hours Have Increased Over the Last 10 Years (millions)



As shown in Figure 7, during FY 2012-13, 94% of overtime within the Department occurred in the Transit and Maintenance groups. Issues specific to each group are discussed below.

Figure 7. MTA FY 2012-13 Overtime Hours by Employee Classification Groups



- **Transit:** Transit Operators, Train Controllers, Transit Supervisors, etc.
- **Maintenance:** Automotive Mechanics, Electrical Mechanics, Stationary Engineers, Construction Inspectors, etc.
- **Enforcement:** Parking Control Officers, Transit Fare Inspectors, etc.
- **Administrative Staff/Other:** Clerks, Fare Collection Receivers, Purchasers, etc.

Transit Group Overtime

63% of all overtime use within the Department occurred in the transit operator job class, with an additional 8% in supporting transit classes, including (among others) train controllers, and transit supervisors. According to the Agency, factors that affect transit operator overtime usage include the length of the operator's scheduled route, operator shortages, labor contract (MOU) provisions, gaps in coverage created by employee absences, unforeseen circumstances such as heavy traffic or accidents, and special events. MTA has begun hiring and training part-time operators which should help reduce the need for overtime.

Part-time operators have a lower number of guaranteed hours per shift (3.5) and can help meet service delivery goals without working overtime. However, part-time operators earn full time benefits so their hourly cost is actually higher than the hourly cost of a full-time operator. In terms of only full-time operators covering shifts, overtime can be more cost-effective than to bring in another full-time operator to complete a shift.

MTA reports that overtime is built into each operator's schedule in order to manage service costs effectively. Labor contract provisions guarantee full time operators eight hours of pay per shift, so requiring an operator to work overtime is frequently less expensive than bringing in an employee for a short amount of time to complete a run. Tables 2A, 2B, and 2C illustrate this point, showing three ways to staff a bus line that runs 20 hours a day.

Bus Route Staffing Options

Table 2A: MTA Staffing Option 1: Using Overtime—Full time operators

	Shift	Regular Hours	Standby Hours	Overtime Hours at 1.5x Regular Pay	Total Pay Hours
Operator 1	5 am to 3 pm	8	0	2 hours x 1.5 regular pay = 3 pay hours	11
Operator 2	3 pm to 1 am	8	0	2 hours x 1.5 regular pay = 3 pay hours	11
Total	5 am to 1 am	16 hrs	0	6 hrs	22 hrs

Table 2B: MTA Staffing Option 2: Without Overtime—Full time operators

	Shift	Regular Hours	Standby Hours	Overtime Hours at 1.5x Regular Pay	Total Pay Hours
Operator 1	5 am to noon	7	1	0	8
Operator 2	Noon to 7 PM	7	1	0	8
Operator 3	7 pm to 1 am	6	2	0	8
Total	5 am to 1 am	20 hrs	4 hrs	0 hrs	24 hrs

Table 2C: MTA Staffing Option 3: Part-Time Operators

	Shift	Regular Hours	Standby Hours	Overtime Hours at 1.5x Regular Pay	Total Pay Hours
Operator 1	5 am to 1 pm	8	0	0	8
Operator 2	1 pm to 9 pm	8	0	0	8
Operator 3	9 pm to 1 am <i>(part time)</i>	4	0	0	4
Total	5 am to 1 am	20 hrs	0	0 hrs	20 hrs

As indicated above, staffing option 1 uses two transit operators to complete the run with four hours of scheduled overtime and 22 total paid hours. Staffing option 2 uses three operators to complete the run with no overtime but 24 total paid hours. Staffing option 3 uses two full-time operators, one part-time operator, and no overtime. Given the labor contract requirement that operators be paid a minimum of 8 hours per shift, it can be less expensive to use overtime instead of additional staff except when part-time operators are available.

Maintenance Group Overtime

The maintenance group accounts for 23% of overtime hours within the MTA. The largest maintenance group job classes are stationary engineers, automotive mechanics, electrical mechanics, and construction inspectors. Within the maintenance area, electrical transit system mechanics and automotive mechanics are the highest overtime users. Both classifications are responsible for maintaining electrical and automotive components of MTA's revenue and non-revenue fleet of over 1,000 vehicles. MTA reports that their fleet is one of the oldest in the nation and requires high levels of maintenance.

To reduce overtime use within this service area, MTA has begun hiring more electrical and automotive mechanics. In FY 2011-12, this service area used 320,000 overtime hours while in FY 2012-13 they used 253,000 hours, or a 21% reduction.

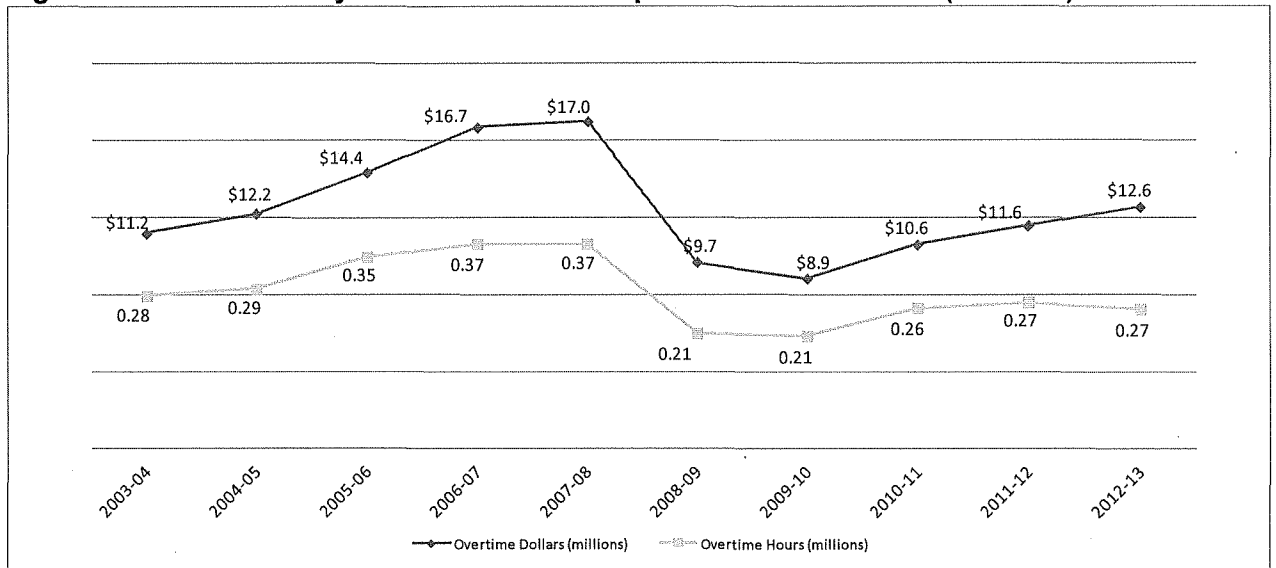
Recommendations

The MTA would benefit from a review of those MOU provisions that require scheduling overtime based on seniority. Additionally, allocating the overtime budget at the beginning of the fiscal year by functional or geographic area, and engaging staff at multiple levels regarding overtime use may reduce overtime use and lower overtime expenditures. Further, continued hiring for transit and maintenance job classes that have had the highest overtime usage would reduce overtime hours.

C. Department of Public Health

As shown in Figure 9, Department of Public Health (DPH) overtime use peaked in FY 2007-08 at \$17 million and 0.37 million hours followed by a sharp decline to \$8.9 million in FY 2009-10. Usage rose again in FY 2012-13 to \$12.6 million and 0.27 million hours, still representing roughly a 26% decline in spending and a 28% decline in hours from their peaks. Overtime hours at DPH represented 2% of regular (straight-time) hours, the lowest of the departments highlighted in this report.

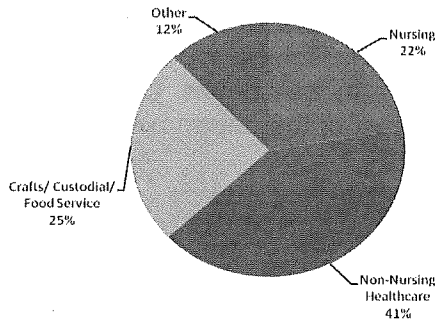
Figure 9. 10-Year History of DPH Overtime Expenditures and Hours (millions)



The Department reports that a significant factor behind the sharp decline in FY 2008-09 was due to Laguna Honda Hospital's decreased census from 1,150 beds to 780 beds in preparation for moving into a smaller new facility. This freed up employees to backfill other positions throughout the Department, reducing the need for overtime.

Figure 10 provides a view of DPH overtime by employee classification groups.

Figure 10. DPH Overtime Hours by Employee Classification



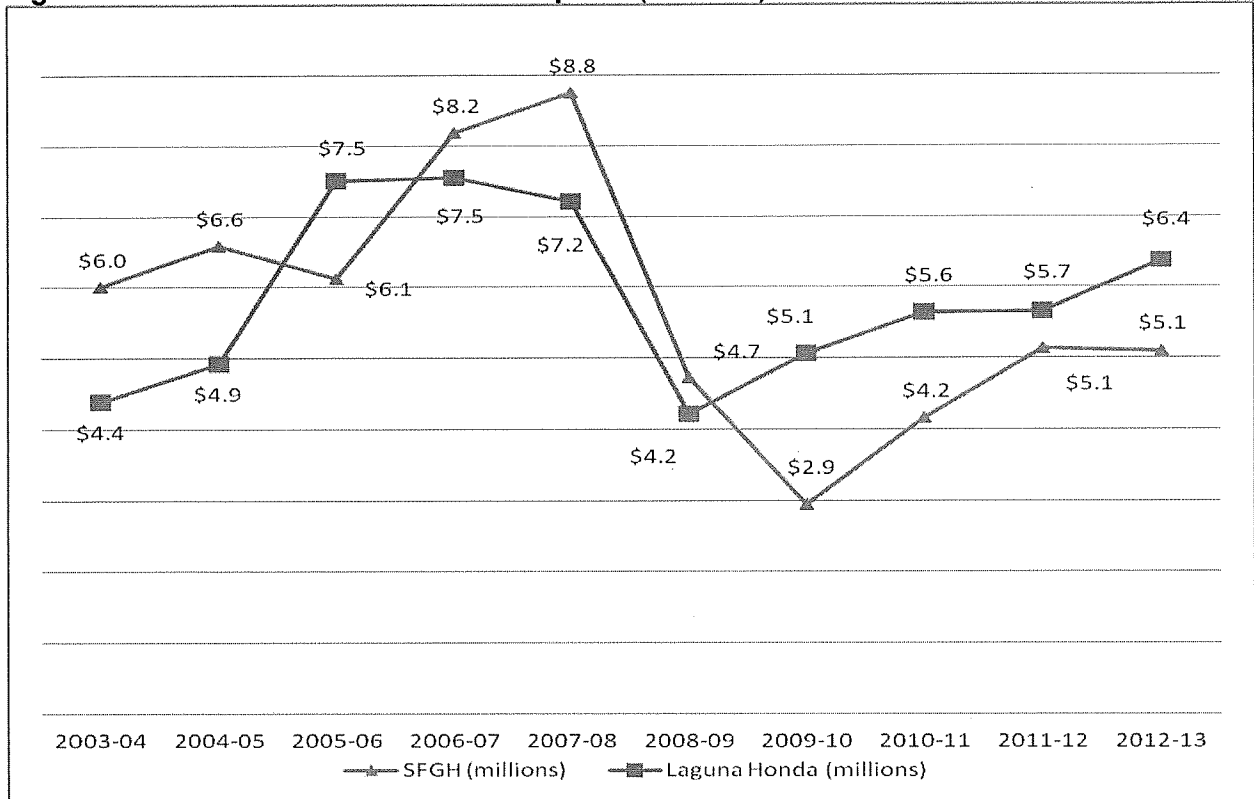
- **Nursing:** Registered Nurses, Licensed Vocational Nurses, Special Nurses, etc.
- **Non-Nursing Healthcare:** Anesthetists, Pharmacists, X-Ray Laboratory Aides, Surgical Procedures Technician, etc.
- **Crafts/Custodial/Food Service:** Storekeepers, Cooks, Porters, Carpenters, etc.
- **Other:** Eligibility Workers, Payroll Clerks, Cashiers, etc

The three highest overtime user job classes at DPH are within the nursing classification group: Nursing Assistants, Patient Care Assistants, and Licensed Vocational Nurses. These three job classes provide 24 hour a day care and have legal and/or labor agreement mandated staff to patient ratios. The Department reports that the main issues affecting overtime use within these classes are the ability to hire additional employees and increased leave attributed to those clinical, non-nurse job classes that received furlough days.

Other high user job classes include porters and food service workers. Porters perform a variety of tasks from cleaning and straightening, to delivering food and supplies. Food service workers provide patient and staff meals at the hospitals. For both classifications, overtime is affected by employee leave and the Department's ability to hire. Employee leave has increased over the past three years because of furlough days. Employees did not receive additional furlough days in FY 2012-13 but were able to take unused days earned in prior years.

Viewing overtime use by location shows that most overtime within the Department is used at San Francisco General Hospital (SFGH) and Laguna Honda Hospital. Figure 11 shows overtime dollars in each hospital over the past ten years.

Figure 11: Overtime Dollars at DPH Hospitals (millions)



Over the past four years, overtime use at Laguna Honda Hospital has been higher than at San Francisco General Hospital (SFGH) although SFGH is a larger institution. The patient census at SFGH fluctuates more than at Laguna Honda, and to compensate DPH keeps a large pool of as-needed nurses, known as Special Duty Nurses who are per diem, or P103's, that can be utilized to help control overtime use. DPH has increased the pool of as needed nurses at Laguna Honda to help reduce overtime use at that facility.

In FY 2012-13, P103 regular salaries were \$48.0 million or 8.1% of the Department's total salaries. Table 3 shows that while the total number of FTEs at Laguna Honda are 45% of the total FTEs at San Francisco General, average overtime spending per FTE is 2.8 times higher at Laguna Honda. The Department reports that this may be due to furlough days for non-nursing clinical staff and additional increases in base salaries for Laguna Honda personnel.

Table 3. Total Overtime Spending and Hours per FTE in each hospital, FY 2012-13

	TOTAL FTEs	TOTAL OVERTIME \$	Total OT Hours	Average OT \$ per FTE
San Francisco General Hospital	2,785	\$5,102,304	97,277	\$1,832
Laguna Honda Hospital	1,247	\$6,380,937	152,033	\$5,115

Additionally, structural staffing issues that impact overtime in the Laguna Honda Hospital

operating budget in FY 2012-13 have been addressed in the FY 2013-14 budget.

Recommendations

An adjustment of those MOU provisions that require seniority scheduling may lead to decreased overtime expenditures in the Department of Public Health. Additionally, increased hiring of nursing and non-nursing healthcare staff may lower overtime usage. Further, allocating overtime at the beginning of each year by functional or geographic area, and collaboration among staff from multiple levels to monitor overtime, may also may also reduce overtime usage.

D. Fire Department

As shown below in Figures 11 and 12, after three years of roughly stable overtime from FY 2003-04 to FY 2005-06, both overtime spending and hours at the Fire Department increased sharply through FY 2012-13 as there was a decline in full-time employees from 1,684 in FY 2005-06 to 1,417 in FY 2012-13.

Figure 11. 10-year History of Fire Department Overtime Dollars and Hours (millions)

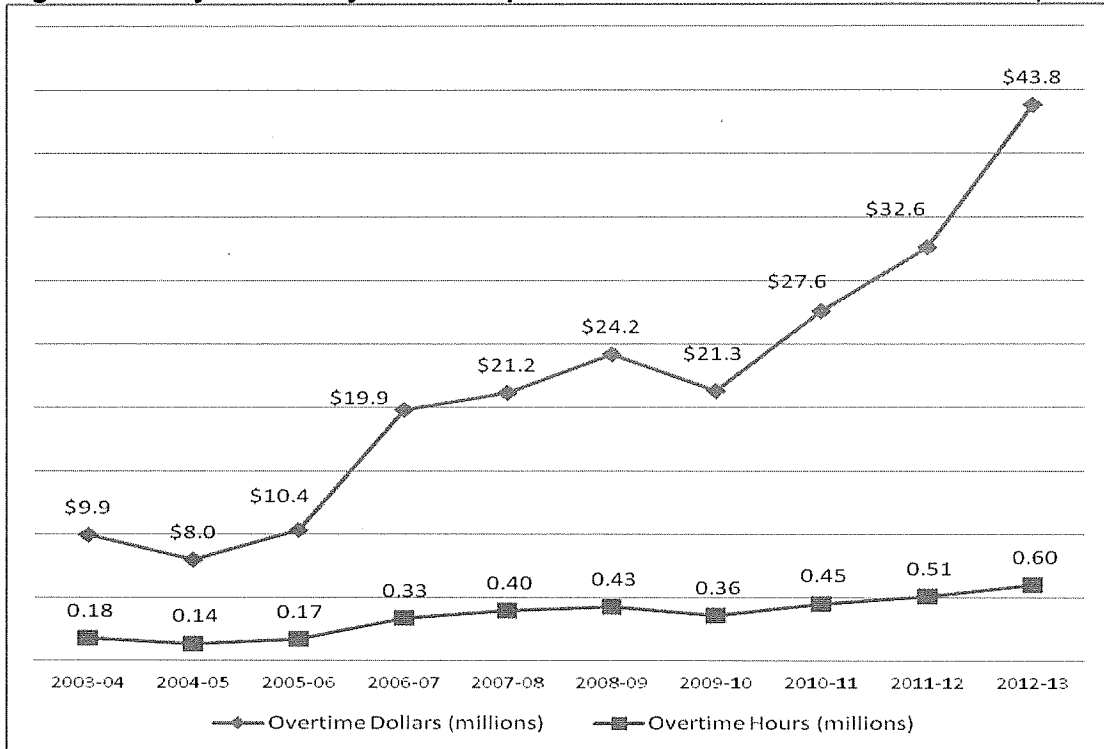
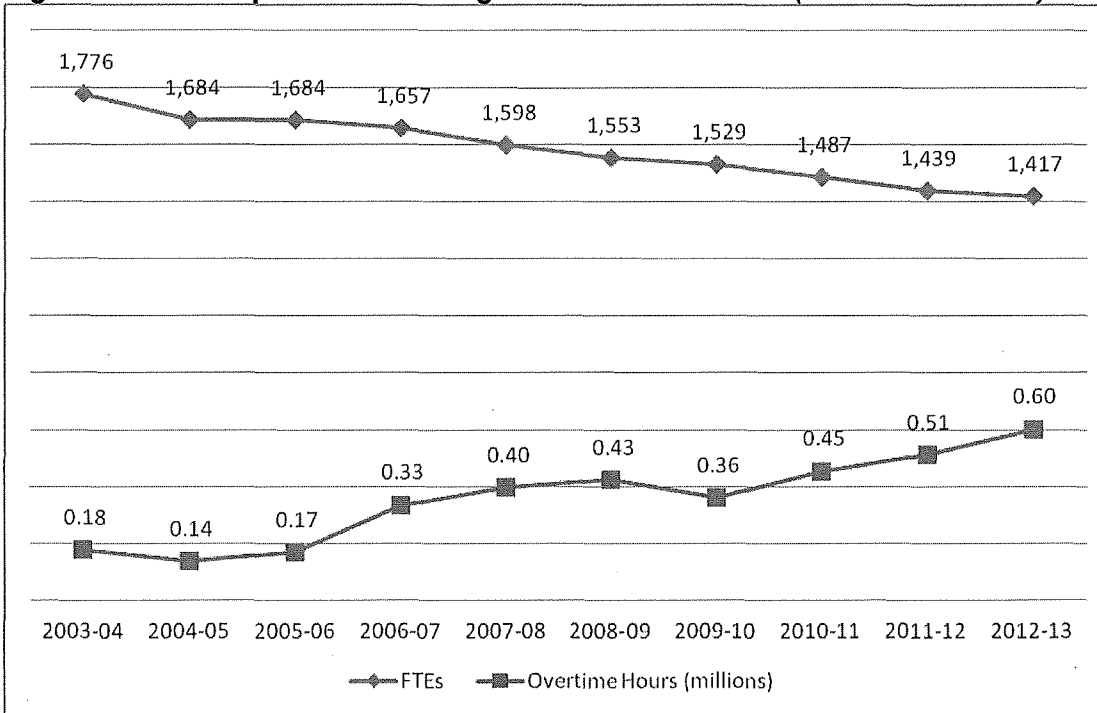


Figure 12: Fire Department Staffing Levels and Overtime (hours in millions)



The Fire Department reports that the decrease in FTEs in recent years is the deliberate result of analysis showing that reliance on overtime to meet minimum staffing requirements would be more cost effective than hiring additional employees. As new classes of fire fighters join the workforce in FY 2013-14, overtime usage is expected to decrease.

To illustrate an example of this analysis, the FY 2012-13 hourly rate of a top step H-2 firefighter, including benefits, averaged approximately \$78. The average hourly overtime rate of the same employee average is \$68, because pension and some other benefit costs do not apply to overtime. Overtime does not require benefits that are included with regular wages, which is a large part of why it is less expensive to use overtime than regular time. Additionally, based on MOU provisions, some overtime in the Fire Department is paid at the regular hourly rate instead of at one and a half times the hourly rate, which also results in the cost-effectiveness of using overtime.

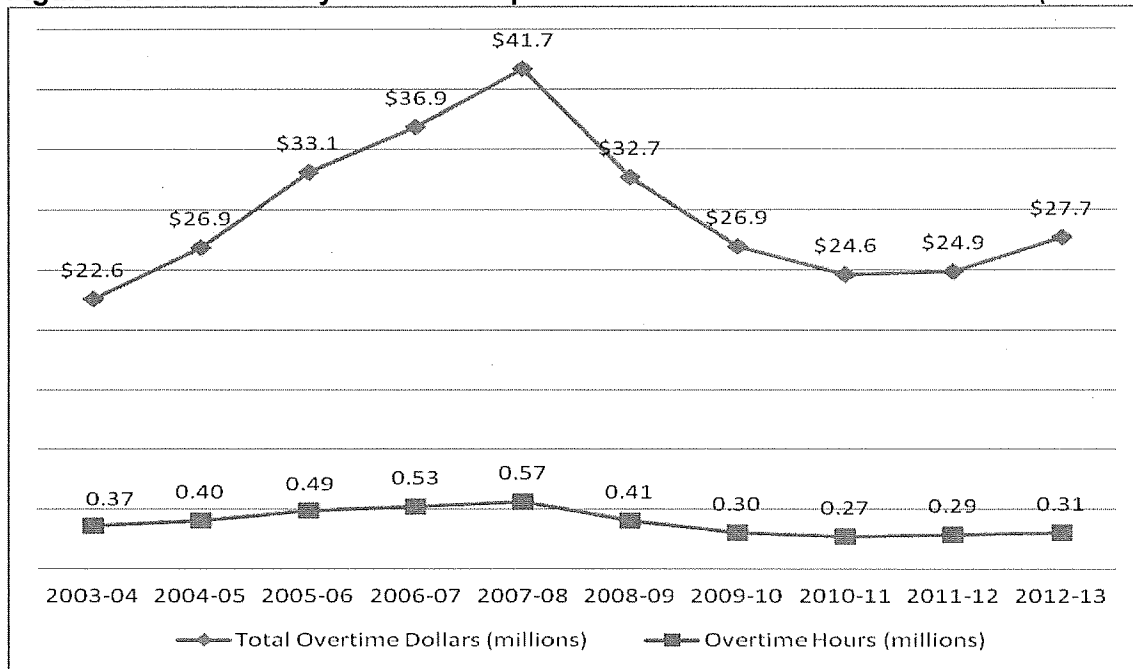
Recommendations

Increased hiring in the Fire Department, as new classes of fire fighters move into the workforce after academy training, should result in decreased overtime usage.

E. Police Department

As shown in Figure 7, unlike other major overtime-using departments, the Police Department has reduced overtime spending and hours significantly since FY 2007-08 when usage peaked at \$41.7 million and 0.57 million hours. During the period between FY 2007-08 and FY 2012-13, overtime spending and hours have decreased by 34% and 46% respectively. However, between FY 2011-12 and FY 2012-13, overtime dollars and hours increased by 11% and 6% respectively.

Figure 13. 10-Yr History of Police Department Overtime Dollars and Hours (millions)

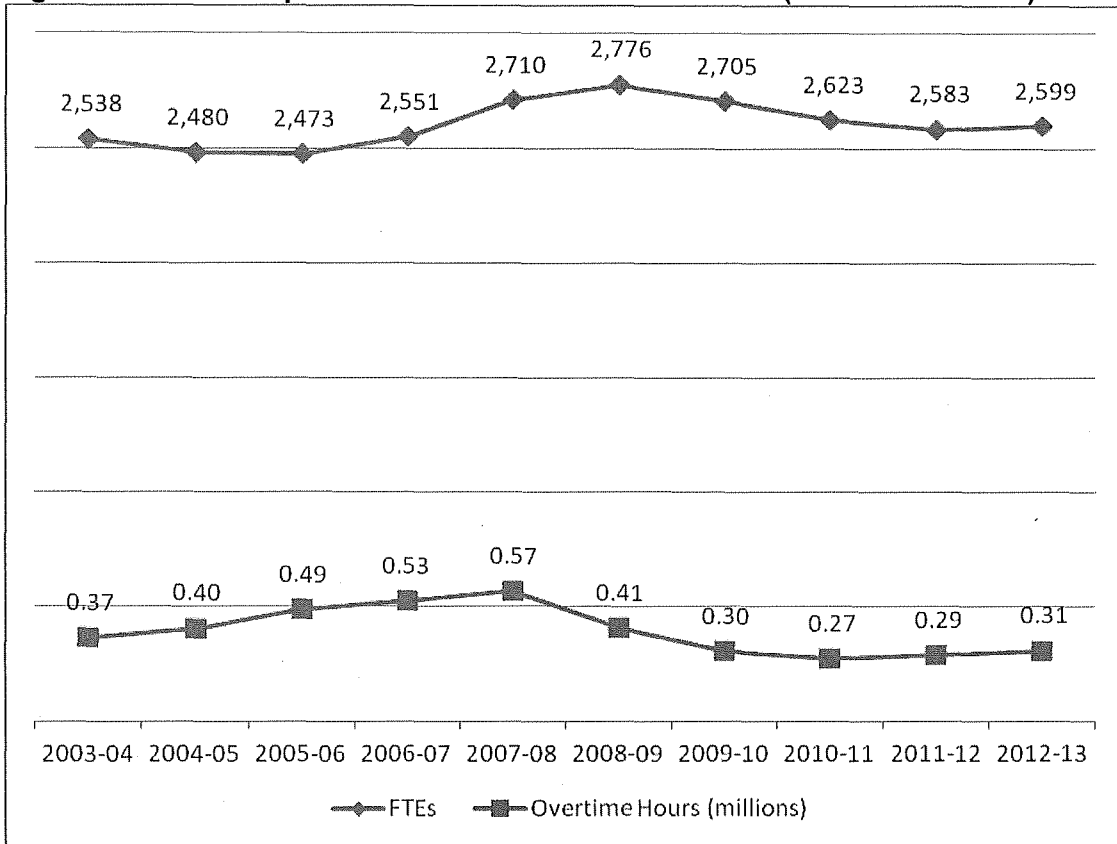


One factor that contributes to Police Department overtime use is a labor contract provision that guarantees a minimum of four hours of overtime per overtime shift. External funding from non-city entities for special events, which were 38% of total Police Department overtime expenditures in FY 2012-13, is included in the total above. Special events included but were not limited to sporting events, film and television production, and construction security.

Staffing

Review of the number of FTEs and overtime use does not indicate a strong correlation between staffing levels and overtime in the Police Department. Figure 14 shows FTEs and overtime hours over the past 10 years. As shown in Figure 14, overtime hours increased between FY 2010-11 and FY 2011-12, while FTEs decreased, but between FY 2011-12 and FY 2012-13, overtime hours increased as FTEs increased. Since the overtime peak of FY 2007-08, FTEs have decreased by 4% while overtime hours have declined by 46%.

Figure 14. Police Department FTEs and Overtime Hours (hours in millions)



Police Department Overtime Monitoring

The Police Department has reduced its overtime use in recent years through management oversight. The Police Department allocates an overtime budget to each of the four bureaus within the Department in the beginning of the year. A biweekly report is run by the finance division, which shows overtime usage by employee and is reviewed by bureau Deputy Chiefs and the Chief of Police. This method of overtime review has helped the Department reduce overtime costs and stay within budget.

Recommendations

The Police Department’s practice of allocating the overtime budget by bureau is a useful tool to allocate and assess overtime usage within the Department, and the Controller recommends the continued use of this method of managing overtime.

Section III. Appendices

Appendix 1 presents a detailed view of five years of overtime spending by Departments throughout the City. Appendix 2 provides a view of Departmental compliance with administrative code provisions regarding maximum permissible overtime per employee.

Appendix 1

5-Year History of Overtime Spending by Department (\$ Millions)

	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2012-13</u>	<u>FY 2012-13</u>
<u>Department</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Difference</u>
MTA							
Municipal Railway	\$ 42.6	\$ 45.6	\$ 52.2	\$ 53.2	\$ 42.4	\$ 46.3	(4.0)
Parking & Traffic	1.6	2.3	2.1	2.5	1.2	2.3	(1.1)
Subtotal - MTA	44.2	47.9	54.3	55.7	43.6	48.7	(5.1)
Police							
General Fund Operations	20.0	13.8	13.1	10.7	12.6	13.0	(0.4)
Special Law Enforcement Services (10B)	9.4	10.5	8.6	10.4	10.5	10.5	-
Grants & Other Non-10B Special Revenues	1.3	0.9	1.5	2.1	3.3	2.4	0.9
Airport	2.0	1.7	1.4	1.8	1.8	1.8	-
Subtotal - Police	32.7	26.9	24.6	24.9	28.2	27.7	0.5
Public Health							
SF General	4.7	2.9	4.2	5.1	5.8	5.1	0.7
Laguna Honda Hospital	4.2	5.1	5.6	5.7	5.7	6.4	(0.7)
All Other Non-Hospital Operations	0.8	0.8	0.8	0.8	1.1	1.1	-
Subtotal - Public Health	9.7	8.9	10.6	11.6	12.6	12.6	-
Fire							
General Fund Operations	24.7	21.0	27.7	32.6	40.1	40.4	(0.3)
Grants & Other Special Revenues	0.2	0.0	-	-	-	-	-
Airport	2.7	2.2	2.5	2.8	3.0	3.1	-
Port	0.2	0.2	0.3	0.2	0.4	0.3	-
Subtotal - Fire	27.9	23.5	30.5	35.6	43.5	43.8	(0.3)
Sheriff							
Sheriff	12.1	7.1	5.8	8.4	10.5	10.7	(0.2)
Subtotal - Top 5							
Subtotal - Top 5	126.6	114.3	125.8	136.2	138.4	143.4	(5.0)
Public Utilities Commission							
Public Utilities Commission	4.5	5.3	5.9	6.2	6.1	6.0	0.1
Recreation & Park							
Recreation & Park	1.5	1.4	1.4	1.1	1.3	1.6	(0.3)
Human Services Agency							
Human Services Agency	0.5	0.5	0.6	0.6	0.3	0.8	(0.5)
Fine Arts Museum							
Fine Arts Museum	0.7	1.0	0.8	0.9	0.6	0.7	(0.1)
Public Works							
Public Works	1.6	1.5	1.4	1.5	2.4	2.0	0.4
Juvenile Probation							
Juvenile Probation	1.4	0.8	0.8	0.9	0.8	1.4	(0.6)
Airport Commission							
Airport Commission	1.5	1.7	2.2	2.2	3.0	2.5	0.5
Elections							
Elections	0.7	0.4	0.4	0.4	0.4	0.3	0.1
Emergency Management							
Emergency Management	1.2	1.4	1.4	1.2	1.1	1.1	-
All Other Departments							
All Other Departments	2.0	2.0	3.2	2.9	2.4	4.0	(1.6)
Total							
Total	<u>142.1</u>	<u>130.0</u>	<u>144.0</u>	<u>154.1</u>	<u>156.8</u>	<u>163.8</u>	<u>(7.0)</u>
Top 5 % of Total							
Top 5 % of Total	89.1%	87.9%	87.4%	88.4%	88.4%	87.6%	
Change from Prior Year Actual							
Change from Prior Year Actual	\$ (25.6)	\$ (12.0)	\$ 14.0	\$ 12.0		\$ 9.7	
Total Gross Salaries (Cash Compensation)							
Total Gross Salaries (Cash Compensation)	\$ 2,621.4	\$ 2,595.8	\$ 2,529.6	\$ 2,634.5		\$ 2,802.2	
Overtime as a % of Total Gross Salaries							
Overtime as a % of Total Gross Salaries	5.4%	5.0%	5.7%	5.8%		5.8%	

Appendix 2. Maximum Permissible Overtime Per Employee

Per Administrative Code section 18.13-1, City employees are not permitted to work more than 25% of their regularly scheduled hours as overtime. In FY 2012-13, a standard full-time employee worked 2,088 regular hours and the overtime default limit for the year was a maximum of 522 hours. Table A shows that as of June 30, 2013, 384 non-exempted employees exceeded the overtime default limit. This represents a decrease of 39% since FY 2011-12, when 625 non-exempted FTEs were above the default limit for FY 2011-12. The Administrative Code allows for exemptions to the default limit, which are defined below in Table A.

Table A. Employees Exceeding 25% Maximum Annual Overtime Per Employee

Department Code	Employees Above the Default Limit	Employee Exemptions	Non-Exempted Employees Above the Default Limit	Average Overtime % of Total Hours Worked
Municipal Transportation Agency	647	587	60	38%
Fire	377	285	92	37%
Public Health	68	-	68	46%
Sheriff	72	-	72	32%
Police	52	-	52	30%
Juvenile Probation	12	-	12	35%
San Francisco Public Utilities Commission	6	2	4	32%
Fine Arts Museum	7	-	7	30%
Recreation and Parks	6	-	6	37%
General Services Agency-Technology	6	-	6	30%
Airport	2	-	2	27%
Public Works	3	-	3	33%
Grand Total	1258	874	384	34%

Definition:

Employee Exemption: The administrative code allows for DHR and MTA to offer overtime default limit exemptions to departments for specific positions and/or job classes. During FY 2012-13, DHR extended the overtime default limit for non-administrative Fire employees to 1,100 overtime hours and removed the default limit for Public Utilities Commission Power Generation Series employees. MTA granted exemptions to eleven job classes, including transit operators and mechanics. Employees who worked less than 209 regular hours were excluded from this report.

Maximum Number of Hours Worked Per Pay Period

Administrative code section 18.3-1(a) requires that employees work no more than 72 hours per week, or 144 hours in a pay period, with the exception of some Fire Department staff. The Controller is not able to report on this compliance rate for FY 2012-13 as the data is not available. As this information becomes available the Controller will provide the information in subsequent reports.

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