



Orange County Fire Authority

FY 2008/09 Backfill/Overtime Analysis

Board of Directors Meeting

November 19, 2009

Presented by:

Jim Ruane, Finance Manager/Auditor

Overview

- Definitions & Background
- Regular vs. Overtime Analysis
- Backfill / Overtime Historical Review

Definitions & Background

- Discretionary vs. Non-Discretionary Backfill/Overtime

Definitions & Background

Non-Discretionary

Constant Staffing Policy

- Maintains the minimum staffing level required to keep a suppression unit operational
- Required by Memorandum of Understanding

Definitions & Background

Non-Discretionary

Constant Staffing Policy

- Alternatives
 - Units out of service
 - Station Closures

- Impact
 - Longer response times
 - Decreased resources available for response to incidents

Definitions & Background

Non-Discretionary

Backfill Definition

- Requires suppression personnel, in addition to the normal work schedule, to backfill a position due primarily to the following reasons:
 - Position vacant or frozen and pending a new hire
 - Personnel on a leave such as sick, vacation, military, workers' compensation
 - Staffing for on duty personnel responding to major incidents (generally out-of-county)

Definitions & Background

Non-Discretionary vs. Discretionary

Overtime Definition

- Requires suppression personnel to work outside the normal work schedule due primarily to the following reasons:
 - Responding to a major emergency incident, generally out-of-county (non-discretionary)
 - Attend specialized / mandated training (can be discretionary or non-discretionary)
 - The majority of overtime costs falling into the above two categories are generally reimbursable to the OCFA
 - Participate in community events, meetings, public education (generally discretionary)
 - Includes public safety fairs, prevention and education programs, etc.

Definitions & Background

Backfill/Overtime Distribution

Backfill/ Overtime Distribution Policy

- Memorandum of Understanding (MOU) requires distribution be “fair and equitable”

- Staffing requirements are managed by:
 - Standard Operating Procedure (SOP)
 - Automated Staffing System
 - OCFA Finance & Operations personnel

Definitions & Background

Backfill/Overtime Distribution

Distribution

- Equitable Distribution of Backfill/Overtime is based on:
 - Employee availability
 - Special qualifications of available position (paramedic, hazmat, etc.)
 - Backfill/Overtime hours previously worked

Backfill/Overtime Cost Containment Initiatives

- Restriction of Discretionary Overtime Usage
 - Reduce by \$1-\$2 million for FY 2009/10
 - Restrict overtime for Non-Operational personnel
- Reduce On-Call and Call-Back Pay
 - Reduce Usage to essential
- Limit Travel and Training Expenses
 - Reduce number of people traveling to meetings requiring hotel/airfare

Regular vs. Overtime Cost Analysis

RANK	HOURS	(A)	(B)	(C)	(D)	TOTAL HOURLY S&EB	\$ DIFFERENCE	% DIFFERENCE
		BASE HOURLY RATE	OTHER PAYS	BENEFITS	OT PREMIUM			
FC	REGULAR	\$34.14	\$5.49	\$25.23		\$64.86	11.63	21.85%
	OVERTIME	\$34.14		\$2.02	\$17.07	\$53.23		
FAE	REGULAR	\$29.16	\$4.88	\$22.29		\$56.33	10.87	23.91%
	OVERTIME	\$29.16		\$1.72	\$14.58	\$45.46		
FF	REGULAR	\$26.00	\$4.49	\$20.41		\$50.90	10.35	25.52%
	OVERTIME	\$26.00		\$1.55	\$13.00	\$40.55		

NOTES:

(A) Salaries based on top step for each rank (at 56 hour equivalent) per Salary Schedule effective January 2009

(B) Holiday Pay, Education Incentive, EMT, FLSA (10 Hrs.)

(C) Retirement, Health Insurance, Medicare

(D) OT premium calculated at 50% of base hourly rate

Regular vs. Overtime Analysis

Fiscal Year 08/09 Overtime hours by classification:

<u>Classification</u>	<u>Actual Overtime Hours Worked FY 08/09</u>	<u>FTE Equivalent*</u>	<u>Estimated** FTE Cost</u>	<u>Estimated ** Overtime Cost</u>	<u>Estimated** Cost Saving by Utilizing Overtime/Backfill</u>
Fire Captain	177,082	60.6	\$ 11,485,539	\$ 9,426,075	\$ 2,059,464
Engineer	180,033	61.7	\$ 11,676,940	\$ 9,583,157	\$ 2,093,784
Firefighter	274,574	94.0	\$ 17,808,870	\$ 14,615,574	\$ 3,193,296
		<u>216.3</u>	<u>\$ 40,971,349</u>	<u>\$ 33,624,805</u>	<u>\$ 7,346,543</u>

* Assumes 2,912 hours worked per year.

** Utilizes estimated hourly rates for top step within a classification and assumes overtime is 50% above base hourly rate.

Regular vs. Overtime Analysis

Annual Sick/Vacation Hours Accrued:

<u>Classification</u>	<u>Annual Sick/Vacation Hours Accrued</u>	<u>FTE Equivalent*</u>
Fire Captain	55,201	19.0
Engineer	53,769	18.5
Firefighter	90,905	31.2
		<u>68.6</u>

* - Assumes 2,912 hours worked per year.

Backfill /Overtime Historical Review

Final Approved Fiscal Year Budget	2004/05	2005/06	2006/07	2007/08	2008/09
Salaries (excluding Backfill / Overtime)	\$90,614,090	\$97,062,094	\$103,640,050	\$109,084,263	\$113,352,938
Backfill / Overtime	\$18,706,411	\$20,411,658	\$20,948,260	\$28,072,448	\$29,697,983
Employee Benefits	\$50,417,326	\$59,200,813	\$69,892,498	\$64,930,350	\$69,428,298
Total Salaries & Employee Benefits (S&EB)	\$159,737,827	\$176,674,565	\$194,480,808	\$202,087,061	\$212,479,219
Services and Supplies / Fixed Assets	\$20,840,974	\$22,682,640	\$23,145,429	\$24,260,865	\$24,331,253
Total General Fund Budget	\$180,578,801	\$199,357,205	\$217,626,237	\$226,347,926	\$236,810,472
S&EB as a Percentage of Total General Fund	88.5%	88.6%	89.4%	89.3%	89.7%
Actual Backfill/Overtime Expenditures (1)	\$20,291,796	\$23,929,622	\$24,481,404	\$32,424,827	\$31,957,554
Actual Total S&EB Expenditures (1)	\$159,361,317	\$175,707,416	\$192,660,333	\$200,999,048	\$208,674,813
Backfill / Overtime as a % of Total Final Budget	11.2%	12.0%	11.2%	14.3%	13.5%
				(2)	(3)

(1) Although actual Backfill / Overtime expenditures exceeded the budget for Backfill / Overtime; overall S&EB expenditures were within budget every year.

(2) Major emergency activity included Santiago Fire

(3) Major emergency activity included Freeway Complex Fire

Fiscal Year 2008/09 Backfill/Overtime Overview

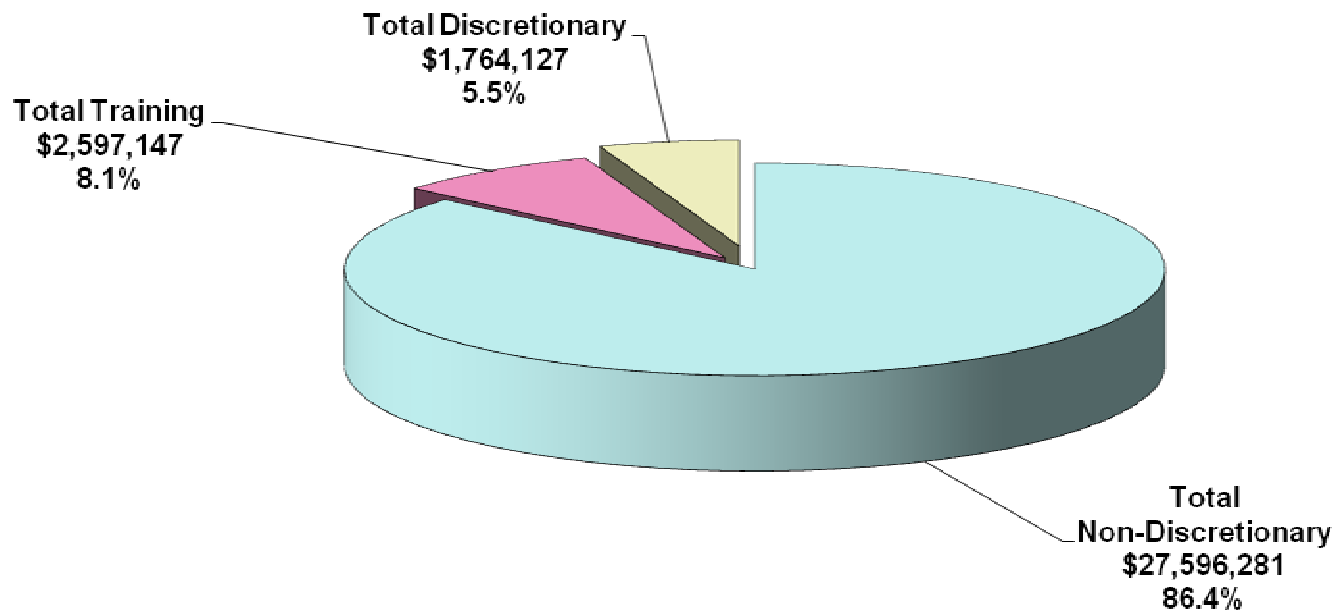
Categories of Backfill/Overtime	FY 2007/08		FY 2008/09	
	Expenditures	% of Total	Expenditures	% of Total
<u>Non-Discretionary</u>				
Backfill:				
Vacation	3,539,321	10.9%	3,531,039	11.0%
Sick Leave	3,709,726	11.4%	3,735,311	11.7%
Workers' Comp.	2,927,273	9.0%	2,808,923	8.8%
Open Position	9,198,047	28.4%	9,809,183	30.7%
Other Leaves (Military, Bereavement, Jury Duty, etc.)	571,228	1.8%	560,380	1.8%
Other Non-Discretionary (Holdover, Modified Duty, etc.)	235,744	0.7%	222,254	0.7%
Other Non-Discretionary (Emergency Communications)	1,053,485	3.2%	962,593	3.0%
Overtime:				
Emergency (primarily out of county incidents, includes Santiago and Freeway Fire)	5,895,893	18.2%	5,073,093	15.9% *
Other Non-Discretionary (FLSA adj.)	888,477	2.7%	893,505	2.8%
Total Non-Discretionary	28,019,194	86.4%	27,596,281	86.4%
<u>Training</u>				
Academy-New Recruit/Promotional	814,866	2.5%	1,015,943	3.2%
Emergency Preparedness (ICS, US&R, WMD)	1,060,569	3.3%	739,762	2.3%
Specialty Training (Paramedic, ARFF)	732,147	2.3%	720,948	2.3%
Reserve Program	113,885	0.4%	120,494	0.4%
Total Training	2,721,467	8.4%	2,597,147	8.1% **
<u>Discretionary</u>				
Special Activity (Comm. events, Explorer Program, Project Teams, etc.)	497,213	1.5%	454,223	1.4%
Other Discretionary (Comm. Services, Special Ops, Auto)	982,555	3.0%	1,182,771	3.7%
Administrative	204,398	0.6%	127,133	0.4%
Total Discretionary	1,684,166	5.2%	1,764,127	5.5%
Total	<u>32,424,827</u>	<u>100.0%</u>	<u>31,957,555</u>	<u>100.0%</u>

*Emergency overtime is generally 90%-100% reimbursable.

**Approximately 22% of Training overtime is reimbursable.

Backfill/Overtime Overview Summary

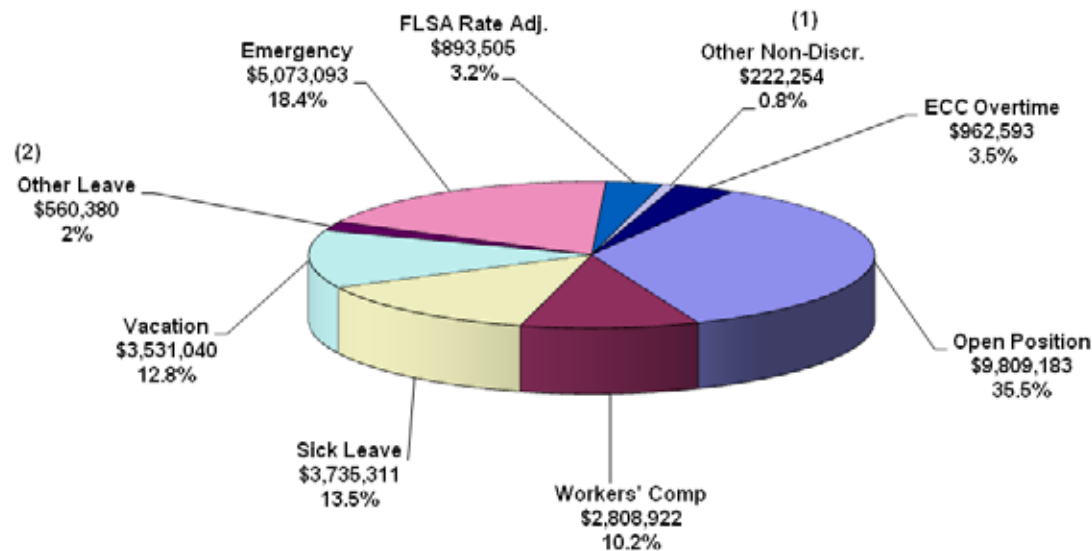
Final Fiscal Year 2008/09 Backfill / Overtime = \$31,957,554



Backfill/Overtime Overview

Non-Discretionary

Final Non-Discretionary Backfill/Overtime = \$27,596,281 (86.4% of Total)

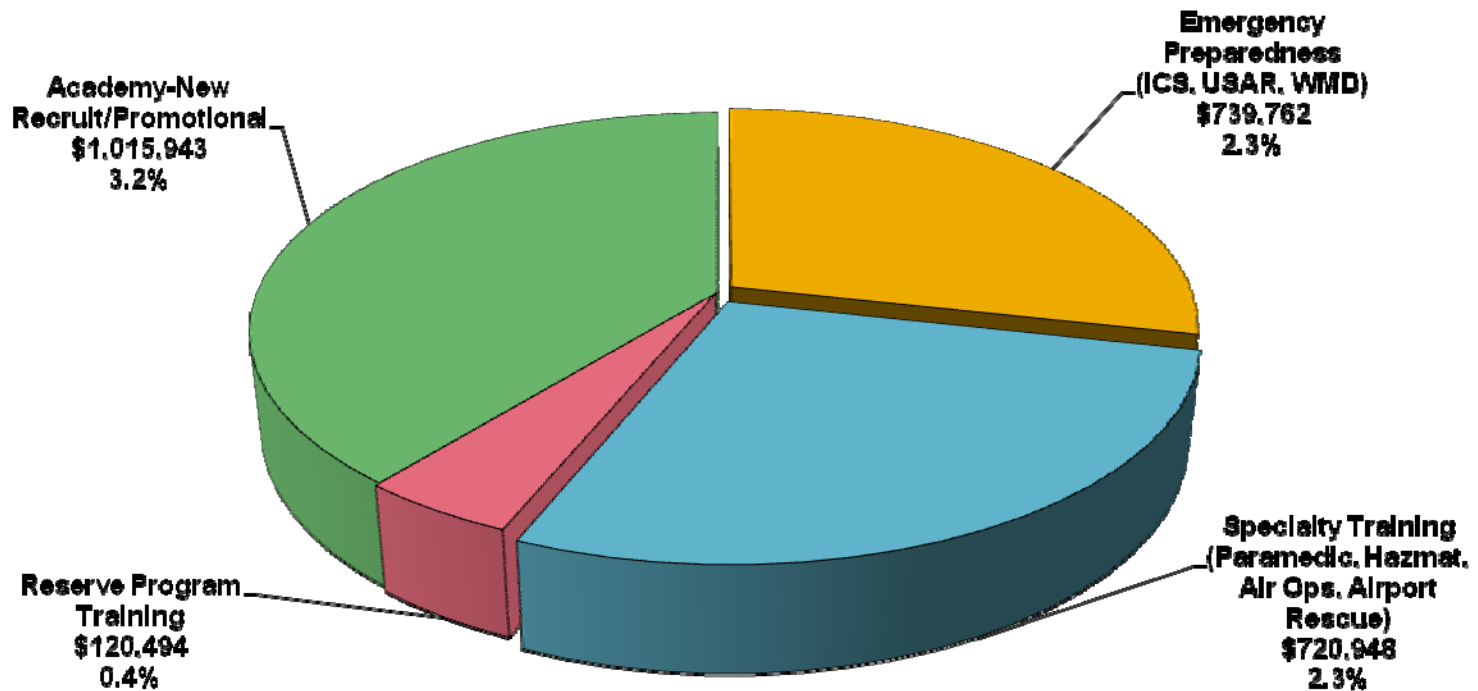


Note: Sum of vacation, sick, open positions, and workers compensation represents 73% of the total non-discretionary costs.

- (1) Other Non-Discretionary consists primarily of holdover.
(2) Other leave includes military, bereavement, jury duty etc.

Backfill/Overtime Historical Review

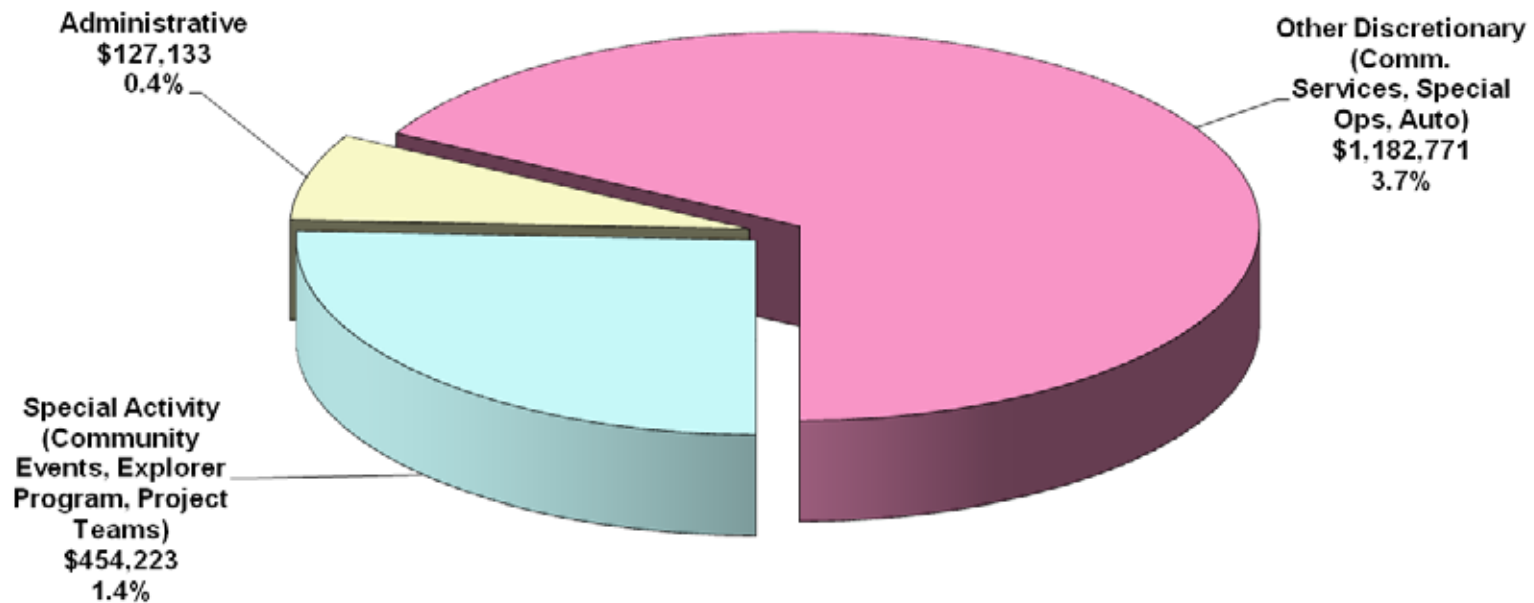
Final Training = \$2,597,147 or 8.1% of Total \$31,957,554 Overtime



Backfill/Overtime Historical Review

Discretionary

Final Fiscal Year 2008/09 Discretionary Backfill = \$1,764,127 (5.5% of Total)



Questions???
