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## **2006 BUDGET BRIEFING NOTE – Overtime Expenditures and Lieu Time**

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### **Issue / Background:**

This briefing note responds to a request from the Administration Committee at its meeting of January 2 and 20, 2006 for the City Manager and Chief Financial Officer to report to the Budget Advisory Committee on “reducing overtime costs City-wide by 5%; and calculating the overtime and lieu time for all employees ... for 2005.”

Appendix 1 attached details by Program and Agency, Board and Commission (ABC) overtime budget and actual expenditures incurred in 2005, and the 2006 Proposed Overtime Budget. Appendix 2 presents by Program and ABC the impact of reducing overtime by 5%.

### **Key Points:**

#### 1. Lieu Time Hours Reported:

- Non union employees are not entitled to payment for overtime hours worked. Instead, they are allowed lieu time for time worked in excess of their normal workday.
- Lieu time entitlement for non-union staff is limited to 105 hours per year for those employees working 35 hours per week; and 120 hours per year for those working 40 hours per week. Beyond the above limits, non union employees are not compensated for extra time worked.
- Many employees cease to report overtime hours worked beyond their annual lieu time limits. The result is that lieu time hours worked by non union employees are generally understated.
- It is noted that reported lieu time does not pose any financial burden on the City since the total number of hours of work does not change. In fact, the City realizes a benefit for every overtime hour worked by non union employees beyond their individual lieu time limit.
- Employees are required to utilize their earned lieu time by the end of March of the following year. Except where specifically approved by the City Manager, an employee will have forfeited their lieu time not taken by the above deadline.

- Appendix 1 shows by Programs and ABC, the number of lieu time hours reported in 2005. In total, staff reported 303,929 hours of lieu time in 2005. City Operations staff reported 260,903 hours, while ABCs reported 43,026 hours.

2. 2005 Overtime Expenditures:

- In general, overtime is utilized to maintain 24/7 operations, to address emergencies, workload resulting from vacancies, special projects, et cetera.
- The City's 2005 Total Overtime Expenditure Budget was \$68.553 million (see Appendix 1 attached). Actual expenditures totalled \$87.522 million representing an over-expenditure of \$18.969 million or 27.7%. The 2006 Proposed Overtime Budget is \$73.876 million.
- City Operations overspent their 2005 Overtime Budget of \$19.269 million by \$14.539 million or 75.5% (see Appendix 1). ABCs similarly overspent their 2005 Overtime budget of \$49.284 million by \$4.430 million or 9%.
- As evident in Appendix 1, 2005 Salaries and Benefits (which included overtime) were under-spent by \$0.689 million. Overspending of the overtime budget was, to a large extent, offset by vacancies and other savings. When there is a constraint on hiring, there would be more use of overtime, in order to maintain operations.
- Overspending of the 2005 Overtime Budget is attributed to the following Programs and ABCs:

- *Emergency Management Services – Overspent by \$5.314 million:*

Full shift overtime to increase the daily car counts due to high hospital offload delays. Includes increased supervisory overtime due to offloads (\$2.430); end of shift overtime (including missed meal breaks) due to hospital offload delays (\$3.396); and increased demands to cover numerous special events in the city with overtime.

- *Homes for the Aged – Overspent by \$0.876 million*

Homes for the Aged did not have an overtime budget in 2005. The Program experienced a very serious outbreak which was not anticipated annually. Significant additional management and staff hours were required.

- *Parks, Forestry and Recreation – Overspent by \$2.613 million*

These costs are associated with major storm damages, community safety issues (shootings and violence), heat alert action plan and Labour Disruption Standby and Planning.

– *Shelter Support & Housing Administration – Overspent by \$0.843 million*

Existing staff logged overtime attributed to Hostel Counsellors caseloads and staff backfilling employees who were sick or attending meetings and courses. Furthermore, the 110 Edward Street operation was not fully staffed and required staff from existing sites to work overtime to ensure the facility was set-up and operating. The overspending was offset by under-spending on temporary salaries.

– *Fire Services – Overspent by \$0.438 million or 31.5%.*

The over-expenditure is attributed to the following:

Overtime was used to train HUSAR teams in 2005. Fire used its own trainers as opposed to external training.

Mechanical Services has increased the use of overtime as a result of the implementation of the mobile mechanics service to handle emergency repairs that helps reduce the number of “trucks out of service” occasions.

In Emergency Communications, overtime coverage is needed when scheduled employees are ill or unavailable. As well, all training in Communications is done on overtime because of the tight scheduling.

– *Solid Waste Management Services – Overspent by \$0.461 million*

The over-expenditure of \$0.461 million is primarily related to the Collection Services Area. The main reason for this over-expenditure can be attributed to the Collection Services statutory holiday pay. Employees working 10 hours per day (Tuesday to Friday) are entitled to regular pay for any Statutory Holiday that falls on Monday. This additional payment for the Statutory Holiday is charged to overtime, resulting in an additional payment of 80 hours per employee per year. Historically, this amount has not been budgeted and has caused a consistent over-expenditure year after year.

– *Transportation Services – Overspent by \$2.117 million*

Most of the over-expenditure occurred in winter maintenance, roadway cleaning, roadway repair activities and special events. The frequency and severity of winter conditions experienced in 2005 necessitated more staff overtime to ensure safe conditions for motorists and pedestrians. The maintenance of roadways and clean-up activities after special events also contributed to the overage.

– *Facilities and Real Estate – Overspent by \$0.572 million*

Additional workload pressures caused by recruitment challenges, gapping, hiring freeze, unusually long and hot summer and increased service demands.

– *Information and Technology – Overspent by \$1.121 million*

The over-spending in overtime was due to a high level of vacancies throughout the year; and under resourced Computer Operations Section, as this is a 24/7 operation.

– *Human Resources – Overspent by \$0.410 million*

Overspending of the overtime budget was primarily the due to labour negotiations and labour disruption planning. Overtime reported by the bargaining team and charged to HR included HR and Operations management.

– *Toronto Public Library – Overspent by \$0.307 million*

Factors contributing to the over-expenditure include increasing levels of activity in the Library system, the 2005 collective bargaining process and its implementation, the implementation of the wage harmonization award, after-hours IT support and TELS rollout and emergency maintenance needs in the Library's 102 facilities.

– *Toronto Transit Commission – Overspent by \$3.006 million*

The overspending was due to increased service requirements, absenteeism and the 2005 COLA impact.

– *Toronto Police Services – Overspent by \$1.105 million*

Most of the overspending is attributed to backfilling of Court Officers and Communication Operator vacancies; other overtime spending has been funded from revenues.

3. Impact of reducing the 2006 Proposed Overtime Budget by 5%

- Reducing the 2006 Proposed Overtime Budget by 5% would result in savings of \$3.694 million of which \$1.042 million would be from City Operations and \$2.652 million from ABCs.
- Several Programs and ABCs have indicated that reducing their overtime budget would impact service delivery or would make it difficult to meet legislated requirements. Some Programs may be able to absorb the reduction, however, any savings would have to be managed within the context of the existing hiring freeze savings targets.
- Appendix 2 details the impact of a 5% reduction in the 2006 Overtime Budget by City Program, Agency, Board and Commission (ABCs).

**Conclusion:**

The City of Toronto 2005 Overtime Budget of \$68.553 million was overspent by \$18.969 million of 27.7%. The overspending was primarily attributed to the need for EMS to increase daily car counts due to high hospital offload delays; community safety (shootings and violence), heat alert action plan and storm damages in Parks, Forestry and Recreation Services; and increased road maintenance services due to severe winter conditions in Transportation Services. ABCs overspent their 2005 Overtime Budget by \$4.430 million primarily in TTC due to increased service requirements and absenteeism; and Toronto Police Services due to backfilling of vacancies. Overall, the City's 2005 Salaries and Benefits Budget (inclusive of overtime) was under-spent. Lieu time reported in 2005 totalled 303,929 hours. Lieu time does not impact the number of paid hours worked by non-union employees in any given year.

Savings from a 5% reduction of the 2006 Proposed Overtime Budget across the corporation approximates \$3.694 million. While some Programs proposed that the reduction may be possible, others indicated that their ability to deliver approved service levels would be significantly affected. In either case, any reduction approved would have to be managed within the context of the existing hiring freeze savings targets. Appendix 2 details by Program and ABC the impact of a 5% reduction in the overtime budget.

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**Attachments:**

Appendix 1 – 2005 / 2006 Overtime / Lieu time Expenditures  
Appendix 2 – Impact of reducing 2006 Proposed Overtime Budget by 5%

**Date:** February 8, 2006

**CITY OF TORONTO**  
**2005 / 2006 Overtime / Lieu time**  
 (\$000s)

Division	2005									2006 Proposed Budget			
	Gross Expenditures		Salaries & Benefits			Overtime			Lieu Time	Salaries & Benefits (Base & New)	Overtime		
	Budget	Actuals	Budget	Actuals	Variance	Budget	Actuals	Variance	Hours		Proposed	5% Reduction	
<b>Citizen Centred Services "A"</b>													
Affordable Housing Office	2,826.7	1,799.0	2,162.6	1,512.7	649.9	0.0	12.3	(12.3)	122.5	2,439.2	1.3	0.1	
Children's Services	332,235.7	295,976.2	58,384.0	56,533.9	1,850.1	380.4	363.8	16.6	11,144.0	62,588.0	370.7	18.5	
Court Services	29,428.5	27,618.3	12,903.7	12,492.8	410.9	0.0	106.5	(106.5)	3,584.6	13,813.2	0.0	0.0	
Culture	12,618.2	13,378.8	8,403.6	8,583.3	(179.7)	0.0	32.4	(32.4)	2,509.3	9,023.8	0.0	0.0	
Economic Development	9,898.4	9,690.8	6,805.4	6,762.2	43.2	7.0	11.4	(4.4)	1,632.0	7,045.0	7.0	0.4	
Emergency Medical Services**	135,089.1	138,918.9	111,068.3	112,425.0	(1,356.7)	2,447.2	7,760.8	(5,313.6)	1,527.5	116,976.6	2,598.7	129.9	
Homes for the Aged	179,992.1	0.0	142,731.1	138,200.0	4,531.1	0.0	875.5	(875.5)	15,983.9	151,181.2	0.0	0.0	
Parks, Forestry & Recreation	276,580.5	279,349.7	188,497.3	189,537.5	(1,040.2)	2,061.1	4,674.3	(2,613.2)	39,251.0	195,316.4	2,219.6	111.0	
Shelter Support & Housing Administration	674,817.5	652,519.6	45,757.3	43,890.3	1,867.0	688.5	1,531.3	(842.8)	15,781.2	48,953.4	573.9	28.7	
Social Development, Finance & Administration	30,432.9	29,857.1	20,903.1	20,430.4	472.7	75.8	158.0	(82.2)	9,146.6	22,071.8	75.8	3.8	
Social Services	972,119.2	935,131.2	131,655.1	134,143.1	(2,488.0)	1,500.0	1,344.2	155.8	28,047.6	139,177.7	1500	75.0	
Tourism	9,308.5	6,960.4	3,712.6	3,356.6	356.0	0.0	4.8	(4.8)	2,286.8	4,005.5	0.0	0.0	
Sub-Total Citizen Centred Services "A"	2,665,347.3	2,391,200.0	732,984.1	727,867.8	5,116.3	7,160.0	16,875.3	(9,715.3)	131,017.0	772,591.8	7,347.0	367.4	
<b>Citizen Centred Services "B"</b>													
Buildings	36,665.3	34,280.9	32,386.8	30,504.6	1,882.2	670.3	546.1	124.2	1,567.8	35,098.9	896.2	44.8	
Business Support Service	9,787.5	9,456.9	7,030.9	8,063.2	(1,032.3)	62.2	36.8	25.4	1,786.3	7,649.7	62.2	3.1	
City Planning	29,926.3	28,085.4	27,443.6	26,101.8	1,341.8	115.6	174.2	(58.6)	8,972.4	29,640.6	123.3	6.2	
Clean and Beautiful City Secretariat	326.5	350.4	216.5	281.3	(64.8)	0.0	2.3	(2.3)	150.5	197.0	0	0.0	
Fire Services**	319,109.1	311,013.2	280,023.0	284,158.9	(4,135.9)	1,388.3	1,826.3	(437.9)	13,545.6	286,072.9	1,862.6	93.1	
Municipal Licensing & Standards	27,387.1	25,703.9	21,623.3	21,004.6	618.7	222.4	207.9	14.5	5,273.5	23,480.6	222.4	11.1	
Solid Waste Management Services**	225,219.5	215,735.1	88,635.3	89,886.3	(1,251.0)	3,119.6	3,580.9	(461.3)	3,092.3	95,041.5	3,812.6	190.6	
Transportation Services**	277,507.7	274,122.1	88,517.9	92,001.2	(3,483.3)	2,140.0	4,256.5	(2,116.5)	16,374.7	92,984.1	2,339.3	117.0	
Waterfront Secretariat	829.5	793.7	614.9	665.3	(50.4)	2.0	0.0	2.0	372.0	806.2	2.0	0.1	
WES - Technical Services**	55,487.9	51,194.5	49,720.7	45,990.2	3,730.5	1,417.5	1,520.0	(102.5)	5,617.3	53,556.6	1,408.8	70.4	
Sub-Total Citizen Centred Services "B"	982,246.3	950,736.2	596,212.9	598,657.3	(2,444.4)	9,137.9	12,150.9	(3,013.0)	56,752.3	624,528.1	10,729.4	536.5	
<b>Internal Services</b>													
Office of the DCM and Chief Financial Officer	16,687.7	15,755.3	15,246.4	14,543.8	702.6	97.1	45.3	51.8	6,131.3	15,533.2	97.1	4.9	
Office of the Treasurer	60,452.2	61,001.3	45,726.5	45,320.4	406.1	644.9	310.6	334.3	11,496.6	48,780.1	585.9	29.3	
Corporate Communications	6,873.1	6,512.9	5,948.3	5,643.5	304.8	0.0	19.5	(19.5)	1,538.0	6,292.4	0	0.0	
Facilities & Real Estate	111,602.6	111,835.60	51,990.8	53,764.3	(1,773.5)	1,043.0	1,615.0	(572.0)	12,181.0	54,968.6	1,042.60	52.1	
Fleet Services	34,001.1	37,949.1	15,282.7	13,567.0	1,715.7	389.3	586.0	(196.7)	2,902.9	15,756.6	309.5	15.5	
Information & Technology	52,162.0	48,308.9	34,393.6	31,853.3	2,540.3	500.0	1,621.0	(1,121.0)	5,377.1	32,958.8	383.1	19.2	
Sub-Total Internal Services	281,778.8	281,363.1	168,588.3	164,692.3	3,896.0	2,674.3	4,197.4	(1,523.1)	39,626.9	174,289.7	2,418.2	120.9	
<b>City Manager</b>													
City Manager's Office	6,189.8	6,070.9	5,801.1	5,803.4	(2.3)	3.1	5.7	(2.6)	4,438.4	6,241.6	3.1	0.2	
Human Resources	28,188.5	27,723.90	25,048.0	24,599.1	448.9	36.7	446.8	(410.1)	8,033.8	26,413.5	36.8	1.8	
Sub-Total City Manager	34,378.3	33,794.8	30,849.1	30,402.5	446.6	39.8	452.5	(412.7)	12,472.2	32,655.1	39.9	2.0	



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**CITY OF TORONTO**  
**2005 / 2006 Overtime / Lieu time**  
 (\$000s)

Appendix 1

Division	2005									2006 Proposed Budget		
	Gross Expenditures		Salaries & Benefits			Overtime			Lieu Time	Salaries & Benefits (Base & New)	Overtime	
	Budget	Actuals	Budget	Actuals	Variance	Budget	Actuals	Variance	Hours		Proposed	5% Reduction
<b>Other City Programs</b>												
City Clerk's Office*	40,838.2	38,908.4	25,059.7	24,285.0	774.7	257.2	82.1	175.1	7,135.0	25,664.4	297.2	14.9
Legal Services	25,963.5	25,593.0	23,871.7	22,764.2	1,107.5	0.0	13.6	(13.6)	8,980.7	25,369.1	0	0.0
Auditor General's Office	3,566.4	3,211.4	3,078.0	2,772.1	305.9	0.0	4.3	(4.3)	3,828.0	3,607.9	0	0.0
Office of the Mayor	1,855.8	1,709.9	1,617.0	1,506.4	110.6	0.0	1.0	(1.0)	31.0	1,690.9	0	0.0
Council	18,514.5	16,871.2	15,101.4	14,634.2	467.2	0.0	31.2	(31.2)	885.2	15,523.7	0	0.0
3-1-1 Project Management Office	412.9	404.6	312.9	360.9	(48.0)	0.0	0.2	(0.2)	174.5	540.7	0	0.0
Sub-Total Other City Programs	91,151.2	86,698.5	69,040.7	66,322.8		257.2	132.4	124.8	21,034.4	72,396.7	297.2	14.9
<b>TOTAL - CITY OPERATIONS</b>	<b>4,054,901.9</b>	<b>3,743,792.6</b>	<b>1,597,675.1</b>	<b>1,587,942.7</b>	<b>7,014.5</b>	<b>19,269.2</b>	<b>33,808.5</b>	<b>(14,539.3)</b>	<b>260,902.8</b>	<b>1,676,461.4</b>	<b>20,831.7</b>	<b>1,041.6</b>
<b>Special Purpose Bodies</b>												
Toronto Public Health	193,933.7	184,354.5	135,868.2	131,482.3	4,385.9	2,470.8	2,087.5	383.3	27,316.6	140,305.4	2,420.0	121.0
Toronto Public Library	154,879.6	154,879.6	114,048.3	114,048.3	0.0	317.2	624.0	(306.8)	175.5	116,649.2	317.2	15.9
Association of Community Centers	5,951.3	5,923.1	4,892.6	4,865.6	27.0	0.0	0.0	0.0	0.0	4,984.2	0	0.0
Exhibition Place	46,383.8	46,081.3	22,160.9	24,042	(1,881.1)	0.0	99.4	(99.4)	3,300.0	24,979.8	0	0.0
Heritage Toronto	519.0	459.4	346.0	343.5	2.5			0.0		393.4	0	0.0
Theatres	19,879.5	17,800.6	10,857.1	10,532.2	324.9	0.0	57.1	(57.1)	2,221.0	9,438.1	0	0.0
Toronto Zoo	35,360.8	33,973.1	19,434.4	19,314.3	120.1	105.4	266.4	(161.0)	1,166.0	20,530.8	104.3	5.2
Arena Boards of Management	5,490.1	5,537.391	2,988.9	3,006.1	(17.2)	0.0	3.4	(3.4)	0.0	3,126.0	0	0.0
Yonge/Dundas Square	1,008.2	1,034.14	206.0	229.2	(23.2)	0.0	0.0	0.0	0.0	236.7	0	0.0
Toronto & Region Conservation Authority	30,048.3	30,048.3	20,588.4	20,588.4	0.0	0.0	70.4	(70.4)	8,847.0	23,668.3	0	0.0
Toronto Transit Commission - Conventional***	970,666.2	975,956	720,859.0	726,380.0	(5,521.0)	12,144.8	14,505.7	(2,360.9)	0.0	779,302.9	14,243.6	712.2
Toronto Transit Commission - Wheel Trans***	56,545.9	56,554.3	31,670.3	32,605.9	(935.6)	1,229.9	1,874.7	(644.8)	0.0	35,690.5	1,839.1	92.0
Toronto Police Service	748,691.0	745,991	658,929.3	663,216.5	(4,287.2)	33,013.2	34,118.2	(1,105.0)	0.0	699,319.3	34,118.2	1,705.9
Toronto Police Service Board	1,296.7	1,376.7	682.5	581.0	101.5	2.2	6.4	(4.2)	0.0	697.7	2.3	0.1
<b>TOTAL - SPECIAL PURPOSE BODIES</b>	<b>2,270,654.1</b>	<b>2,259,969.4</b>	<b>1,743,531.9</b>	<b>1,751,235.3</b>	<b>(7,703.4)</b>	<b>49,283.5</b>	<b>53,713.2</b>	<b>(4,429.7)</b>	<b>43,026.1</b>	<b>1,859,322.3</b>	<b>53,044.7</b>	<b>2,652.2</b>
<b>TOTAL</b>	<b>6,325,555.9</b>	<b>6,003,762.0</b>	<b>3,341,207.0</b>	<b>3,339,178.0</b>	<b>(688.9)</b>	<b>68,552.7</b>	<b>87,521.7</b>	<b>(18,969.0)</b>	<b>303,928.9</b>	<b>3,535,783.7</b>	<b>73,876.4</b>	<b>3,693.8</b>

\*\* Former WES division budgets include salaries and benefits allocated from Support Services

\*\*\* 2006 Salaries and Benefits based on TTC's Budget Request

**CITY OF TORONTO**  
**Impact of Reducing 2006 Proposed Overtime Budget by 5%**  
**(\$000s)**

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Appendix 2

Division	2006		
	Overtime Budget	5% Reduction	Impact of Reduction
<b>Citizen Centred Services "A"</b> Affordable Housing Office	1.3	0.1	Proposed 2006 budget provides for some O.T. budget. Reduction will require controls on OT approval. Filling of vacancies will reduce need for O.T. Gapping will cover shortfalls if required.
Children's Services	370.7	18.5	Reduction of overtime is not possible as staffing in child care centres is governed by Day Nursery Act of Ontario. This is a cost shared expense and the net reduction would be 20% of the gross amount.
Economic Development	7.0	0.4	Overtime is already managed to the lowest possible level and the budget is insufficient for even these minimal requirements. Variances are managed by containing other expenditures. A 5% budget decrease will increase the size of the variance in 2006 and will require the program to identify other offsets ( eg: service reductions).
Emergency Medical Services**	2,598.7	129.9	Decreased car counts, unable to cover all special events. Increased budget variance as end of shift and meal payouts is dependant on offload delays.
Parks, Forestry & Recreation	2,219.6	111.0	<ul style="list-style-type: none"> <li>. further compound the underfunding in this area</li> <li>. increased strain on the budget</li> <li>. less flexibility to perform emergency work</li> <li>. direct service impacts i.e.(keeping facilities opened)</li> <li>. Health and Safety – Bill C45</li> </ul>
Shelter Support & Housing Administration	573.9	28.7	The 2006 proposed budget for overtime has already been reduced by \$114.6K or 16.6% over the 2005 budget request. Any further reductions will impact the ability to operate front-line hostel services in a safe and effective manner.



**CITY OF TORONTO**  
**Impact of Reducing 2006 Proposed Overtime Budget by 5%**  
 (\$000s)

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Appendix 2

Division	2006		Impact of Reduction
	Overtime Budget	5% Reduction	
Social Development & Administration	75.8	3.8	<p>Due to the time sensitive nature of IT and Promotion &amp; Communications work, it is not anticipated that OT can be significantly reduced.</p> <ul style="list-style-type: none"> <li>• Exacerbate the underfunding in this area</li> <li>• The Division would be required to hire more staff at peak times to reduce overtime.</li> </ul>
Social Services	1,500.0	75.0	<p>The 2006 proposed overtime budget is dedicated mainly to the achievement of the \$3.4 million of Provincial Incentive funds under the Consolidated Verification Process (CVP). This revenue is included in the 2006 budget request.</p> <p>In order to achieve this, Toronto Social Services (TSS) will have to review a minimum of 48,696 case files and this target is higher than 2005. The entire case file is reviewed including all OW activities to ensure compliance with existing guidelines, directives, and business processes. The review also includes all areas relevant to income, assets, accommodation, identification, and mandatory documentation on file.</p> <p>Toronto Social Services will not be able to achieve the budgeted incentive funds if the Overtime budget is reduced. The loss in incentive funds may outweigh the savings from the proposed reduction in the 2006 overtime budget.</p>
Sub-Total Citizen Centred Services "A"	7,347.0	367.4	

**CITY OF TORONTO**  
**Impact of Reducing 2006 Proposed Overtime Budget by 5%**  
**(\$000s)**

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Appendix 2

Division	2006		
	Overtime Budget	5% Reduction	Impact of Reduction
<b>Citizen Centred Services "B"</b>			
Buildings	896.2	44.8	Backlogged work will be further delayed
Business Support Service	62.2	3.1	A 5% reduction can be absorbed.
City Planning	123.3	6.2	A reduction in the 2006 overtime budget of 5% will mean that planning staff will be unable to respond to additional requests for community meetings on development applications. Report preparation in advance of Community Councils, Standing Committees or Council also means that administrative staff may be required on an overitme bases - with no budget capacity.
Fire Services	1,862.6	93.1	The program has overspent its overtime estimates for the last 5 years. The year over year increase in the 2006 overtime estimates of \$503.1 thousand to \$1,862.6 thousand is entirely the result of transferring existing estimates for support services and HUSAR training, resulting in no net increase. Since Fire was unable to achieve its gapping in 2005, any reduction in its salary estimates in 2006 will further erode the programs' ability to remain within budget.
Municipal Licensing & Standards	222.4	11.1	A 5% reduction in OT of \$11.1K will have no significant impact on the operations of MLS.
Solid Waste Management Services**	3,812.6	190.6	To alleviate the historical overtime pressure, SWMS has included a provision for Statutory Holiday in the 2006 request. The 2006 request is currently aligned with the needs of the Division. The majority of the overtime in the SWMS - Collections Services Area is non-discretionary and needed to provide the current service levels. The major drivers include seasonal fluctuations, special events and inclement weather conditions. Over these years SWMS has gradually increased the overtime annual budget and in 2006 the Overtime Budget is in line with the 2005 Projected Actual and the needs of the Division.



**CITY OF TORONTO**  
**Impact of Reducing 2006 Proposed Overtime Budget by 5%**  
**(\$000s)**

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Appendix 2

Division	2006		Impact of Reduction
	Overtime Budget	5% Reduction	
Transportation Services	2,339.3	117.0	The program's overtime budget is inadequate in comparison to actual annual costs. Requests to bring funding in line with requirements have not been supported in recent years due to financial constraints. A reduction of the program's 2006 proposed Overtime budget will likely result in an equivalent over-expenditure at year-end as the budget level is insufficient to cover existing requirements. Overtime for winter maintenance activities and cleaning after special events are not generally controllable and costs will be incurred to maintain services to the public. A reduction in overtime cannot be accommodated within existing budget levels.
Waterfront Secretariat	2.0	0.1	The 2006 Proposed Operating Budget for the Waterfront Secretariat includes a total of \$2.0K for Overtime expenditures. A 5% reduction to this total will amount to \$0.1K, and will have minimal impact on the Secretariat's operations.
WES - Technical Services	1,408.8	70.4	Impede ability to meet development review timeframes, reduced revenues in Survey & Mapping and reduced ability to respond in Office of Emergency Management.
Sub-Total Citizen Centred Services "B"	10,729.4	536.5	

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Appendix 2

Division	2006		
	Overtime Budget	5% Reduction	Impact of Reduction
<b>Internal Services</b> Office of the DCM and Chief Financial Officer	97.1	4.9	The proposed budget includes a reduction of \$543K pending completion of the Finance and Administrative review. This reduction includes a review of overtime. Therefore, a further 5% reduction should not be considered.
Office of the Treasurer	585.9	29.3	The proposed overtime budget has already been reduced by \$59K or 9% in order to meet the 2% target. An additional reduction of 5% will restrict the Program's ability to utilize overtime that will be needed for staff working on Document Management and P-Card projects.
Facilities & Real Estate	1,042.60	52.1	Facilities and Real Estate cannot afford to take a 5% decrease in our overtime budget, due to the fact that, while we are diligent about our overtime, we have a number of situations throughout the year that are last minute or emergencies that we cannot possibly budget for. In addition, we feel that if a reduction were to take place a number of important issues would arise, such as: an unacceptable increase in the number of security risks throughout the City, the possible uncleanliness of buildings could result in health and safety issues and a higher than average number of building system failures could be possible. These are unacceptable risks to us. We also have a fairly high gapping rate and that leads to overtime as well in some areas.
Fleet Services	309.5	15.5	Fleet Services has proposed a 20.5% reduction to its 2005 base budget for overtime, another 5% reduction would jeopardize the Division's ability to respond to emergencies.



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Appendix 2

Division	2006		
	Overtime Budget	5% Reduction	Impact of Reduction
Information & Technology	383.1	19.2	The necessary changes and upgrades are performed during off-peak hours, so that there is minimal disruption to the 18,000 system users. Staff are placed into an on call and standby schedule.
Sub-Total Internal Services	2,418.2	120.9	
<b>City Manager</b>			
City Manager's Office	3.1	0.2	No significant impact
Human Resources	36.8	1.8	No material impact
Sub-Total City Manager	39.9	2.0	
<b>Other City Programs</b>			
City Clerk's Office*	297.2	14.9	Will have minimal impact
Sub-Total Other City Programs	297.2	14.9	
<b>TOTAL - CITY OPERATIONS</b>	<b>20,831.7</b>	<b>1,041.6</b>	

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Appendix 2

Division	2006		Impact of Reduction
	Overtime Budget	5% Reduction	
<b>Special Purpose Bodies</b>			
Toronto Public Health	2,420.0	121.0	<ul style="list-style-type: none"> <li>• Inability to respond to PH emergencies. No net savings to the City for reduction in 100% provincially funded programs.</li> <li>• Inability to meet increased workload due to program demands and pay staff for standby/on call.</li> </ul>
Toronto Public Library	317.2	15.9	Reducing the overtime budget will negatively impact service. It is already a challenge for the Library to deal with soaring activity, with no change in staffing levels since 1999 and a gapping target over 3%. In addition, TPL currently has not met the City's 2006 budget target of 2% over 2005 and is facing a shortfall of \$1.8 million.
Toronto Zoo	104.3	5.2	If required, the Zoo would recover the \$5.2 thousand in overtime from the Students and Other area (non permanent payroll) in order to minimize the impact on operational service delivery.
Toronto Transit Commission - Conventional	14,243.6	712.2	Most of the overtime is required to maintain existing service levels or increased service requirements.
Toronto Transit Commission - Wheel Trans	1,839.1	92.0	Most of the overtime is required to maintain existing service levels or increased service requirements. May impact budgeted unaccommodated rate at 2%.
Toronto Police Service	34118.2	1,705.9	Premium pay for the Toronto Police Service (TPS) is often contractual in nature or arises from the exigencies of policing services. Budgets have been reduced in recent years (if one excludes salary settlements); further reductions are not possible without affecting service.
Toronto Police Service Board	2.3	0.1	Most of the overspending is due to lieu time payout.
<b>TOTAL - SPECIAL PURPOSE BODIES</b>	<b>53,044.7</b>	<b>2,652.2</b>	
<b>TOTAL</b>	<b>73,876.4</b>	<b>3,693.8</b>	