



Overtime Utilization Report – 2020

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EXECUTIVE SUMMARY

Introduction

This report examines overtime utilization for the City of Saskatoon (City). The wage and overtime data are obtained from SmartStream which is the City's payroll system.

The City uses overtime to increase organizational capacity, respond to changing service demand, and manage temporary workload fluctuations. Utilizing overtime in these circumstances is typically more cost-effective than adding new employees when the cost of hiring, training, and benefits is considered.

A wide range of factors, such as adapting during a pandemic, collective agreement provisions, hiring lags, seasonal variability, fluctuating demands, and unpredictable events, including winter storms, anticipated or unanticipated absences, and extended sick leaves, impact the management of service delivery, workload, and staffing.

Highlights of Overtime Utilization in 2020

Total Overtime is Trending Down

Total Overtime as a percentage of total wage and earning is trending downward and has declined over the last seven years (5.87 percent in 2014 to 4.47 percent in 2020).

Permanent Employees Work the Most Overtime

Permanent employees comprised 67.4 percent of the total employee population, accounting for 90.8 percent of total overtime hours worked and 92.6 percent total overtime costs in 2020.

Overtime Varies by Bargaining Unit

CUPE 859 represented 10.9 percent of the employee population and accounted for 43.5 percent of the overtime hours worked, and 41.2 percent of total overtime costs in 2020.

Overtime Varies by Employee

The 35 to 44 age cohort has the largest percentage of total overtime hours worked in 2020. About 25.6 percent of the City's workforce is in the age cohort of 35 to 44 and accounted for 51,902 hours (28.4 percent) of the total overtime hours worked in 2020.

Overall, 22.8 percent of the City's workforce had 5 to 9 years of service and accounted for 30.52 percent (55,869 hours) of overtime, the largest number of overtime hours worked in 2020.

Overtime Varies by Job Classification

There were 754 job classifications in the corporation; 343 classifications (45.5 percent) worked overtime, and 411 classifications (54.5 percent) did not work any overtime.

Nineteen classifications had greater than 1.0 percent of the total overtime cost (1,476 employees) and accounted for approximately 68.71 percent of total overtime hours and 60.3 percent of total overtime costs.

Overtime Varies by Department

The Utilities & Environment (32.5 percent of total overtime costs) and Transportation & Construction (50.1 percent of total overtime costs) Departments are responsible for a significant portion of civic services that impact citizens and had the largest overtime expenditure in 2020.

Transit Operators (231 employees) accounted for approximately 10.5 percent of the total annual overtime hours and 8 percent of total overtime costs.

Overtime Varies by Occupational Group

The Operating occupational group (892 employees) makes up 19.4 percent of total employees and accounts for 54.7 percent of total overtime hours worked and 51.2 percent of total overtime costs.

Conclusion

Workforce management is an important element in managing overtime. This involves forecasting workload, calculating staff requirements, managing work schedules, and analyzing and monitoring processes and trends. The City implemented an Enterprise Resource Planning (ERP) system, known as Fusion, which started with a phased launch in 2021. This system will enable managers to have better access to data, which will continue to improve the City's ability to access real time data and respond to changing demands and factors influencing overtime and overtime trends.

METHODOLOGY

Report Overview

The overtime report is complimentary to the City of Saskatoon's (City) Public Accounts report, which includes all City employees, as well as all Saskatoon Police Service, Saskatoon Public Library and Controlled Corporations (Remai Modern Art Gallery of Saskatchewan, SaskTel Centre and TCU Place) highlighting earnings greater than \$50,000/annum.

This report includes all employees falling under the responsibility of the City Manager, as well as employees covered by the CUPE 59 Collective Agreement that work at Saskatoon Police Service, SaskTel Centre, TCU Place, and Remai Modern Art Gallery of Saskatchewan (Remai Modern).

This report does not include the remaining employees at Saskatoon Police Service, Saskatoon Public Library, SaskTel Centre, TCU Place, or Remai Modern.

Objectives

The objective of this report is to summarize the overtime observations and trends for 2020.

Scope

The data source used for this report is obtained from SmartStream, the City's payroll system. Base wage data is determined using pay elements that are considered earnings. Overtime data is made up of a combination of pay elements that cover the various types of overtime employees can earn under the collective agreements (e.g., time-and-a-half, double-time, etc.). This report only includes employees that earned some amount of regular pay during the calendar year being reported.

The overtime data also includes banked overtime that was paid out in the calendar year but does not include overtime that has been banked during the calendar year. Data for the calendar year is determined as at December 31 of each year.

COLLECTIVE AGREEMENTS

The City's workforce statistics represented in this report are primarily comprised of employee data from the following eight unions and associations:

- ATU Local 615 – Saskatoon Transit Employees
- CUPE Local 47 – Saskatoon Water and Wastewater
- CUPE Local 59 – Essentially Inside Workers
- CUPE Local 859 – Essentially Outside Workers
- ESA 292 – Exempt Staff Association (ESA)
- IAFF Local 80 – Saskatoon Fire Fighters
- IBEW Local 319 – Saskatoon Light & Power
- SCMMA 222 – Saskatoon Civic Middle Management Association (SCMMA)

Employees covered by the ESA agreement are not entitled to overtime. SCMMA employees are predominately management. Employees covered by the SCMMA agreement have only limited and exceptional entitlements to overtime.

The remaining bargaining units have collective agreements that provide for overtime. Table 1 provides a summary of the primary overtime provisions in each collective agreement.

TABLE 1: PRIMARY OVERTIME PROVISIONS IN THE COLLECTIVE AGREEMENT

UNION	AGREEMENT OVERTIME PROVISION
ATU 615	1½ time (first 2 hours) and double time on days off or after 10 hours
CUPE 47	Double time on days off or after regular shift
CUPE 59	Double time on days off or after regular shift
CUPE 859	Double time on days off or after regular shift
IAFF 80	Double time on days off or after regular shift
IBEW 319	Double time on days off or after regular shift

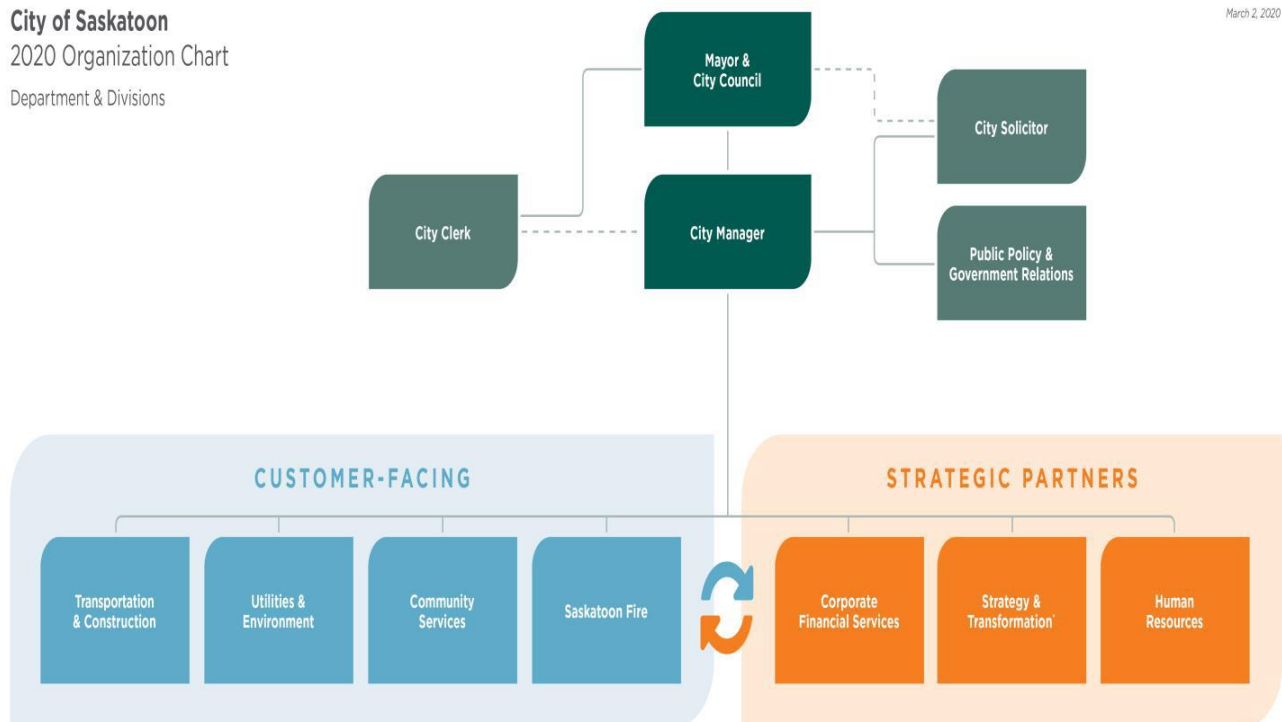
CITY OF SASKATOON ORGANIZATIONAL STRUCTURE

In 2020, the City was comprised of seven departments (four customer-facing and three strategic partners) that fell under the responsibility of the City Manager:

- Transportation & Construction
- Utilities & Environment
- Community Services
- Saskatoon Fire
- Corporate Financial Services
- Strategy and Transformation
- Human Resources

City of Saskatoon
2020 Organization Chart
Department & Divisions

March 2, 2020



OBSERVATIONS AND ANALYSIS

2020 Overtime Total and Percentage

Table 2 shows the seven-year total wage and overtime amounts (including earned and/or banked overtime that was paid out in the calendar year) that the City paid to employees in 2020.

- Total overtime wages as a percentage of earnings (base salary, wage, and other earnings) for 2020 are lower than the previous year.
- The total cost of overtime in 2020 is lower by \$483,215 when compared to 2019 (\$10,877,557 in 2020 to \$11,360,772 in 2019).
- Collective agreement General Economic Increases have contributed to increased overtime costs over the years.

TABLE 2: BASE WAGE COSTS, TOTAL OVERTIME, AND OVERTIME AS A PERCENTAGE OF EARNINGS (2014-2020)

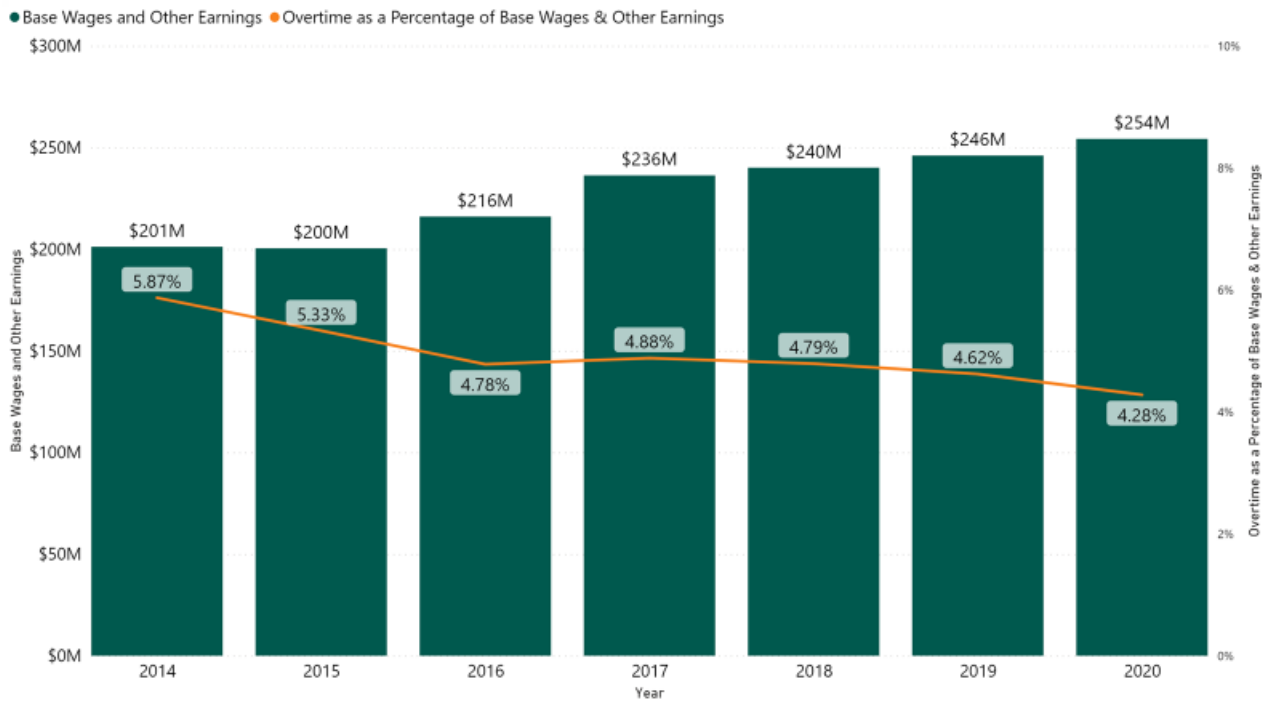
Year	Base Wages and Other Earnings	Overtime Wages	Overtime as a Percentage of Base Wages & Other Earnings
2014	\$201,181,689	\$11,809,867	5.87%
2015	\$200,436,337	\$10,683,240	5.33%
2016	\$216,027,088	\$10,329,321	4.78%
2017	\$236,278,888	\$11,523,620	4.88%
2018	\$240,071,187	\$11,489,821	4.79%
2019	\$246,036,057	\$11,360,772	4.62%
2020	\$254,238,489	\$10,877,557	4.28%



City of Saskatoon Overtime Trends

Chart 1 demonstrates the seven-year history of total base wage and earnings and overtime as a percentage of total wage and earnings (2014-2020).

CHART 1: BASE WAGE COSTS (IN MILLIONS) AND OVERTIME AS A PERCENTAGE OF TOTAL EARNINGS (2014-2020)

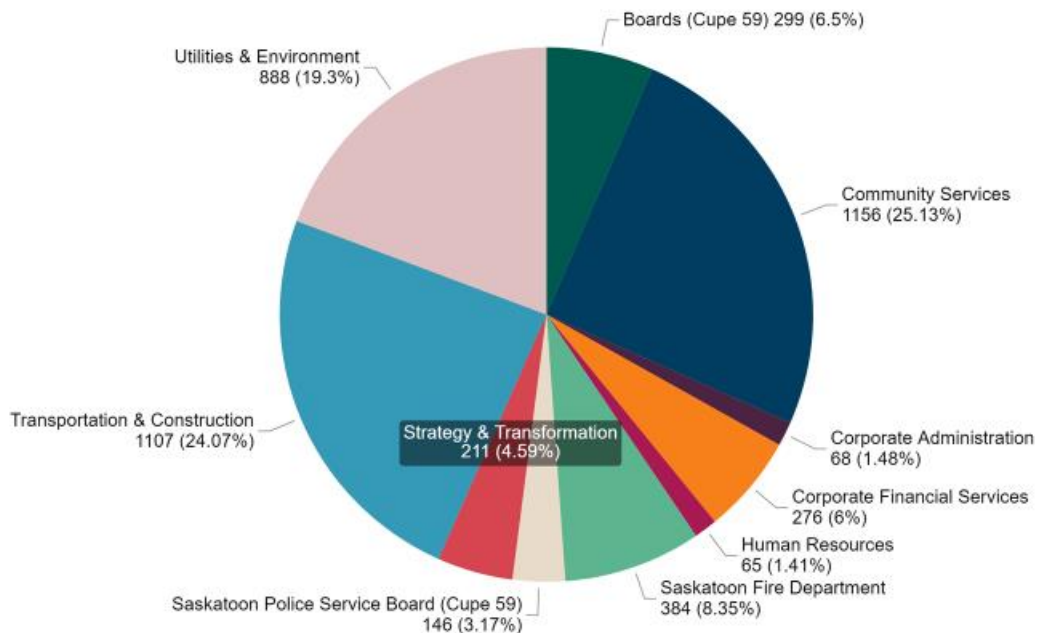


Overtime as a percentage of total wage and earning is trending downward and has declined over the last seven years (5.87 percent in 2014 to 4.28 percent in 2020).

Number of Employees

Chart 2 provides a profile of the number of employees and percentage distribution employed by department.

CHART 2: EMPLOYEE DISTRIBUTION BY DEPARTMENTS (2020) INCL. NEW HIRES AND TERMINATIONS (2020)



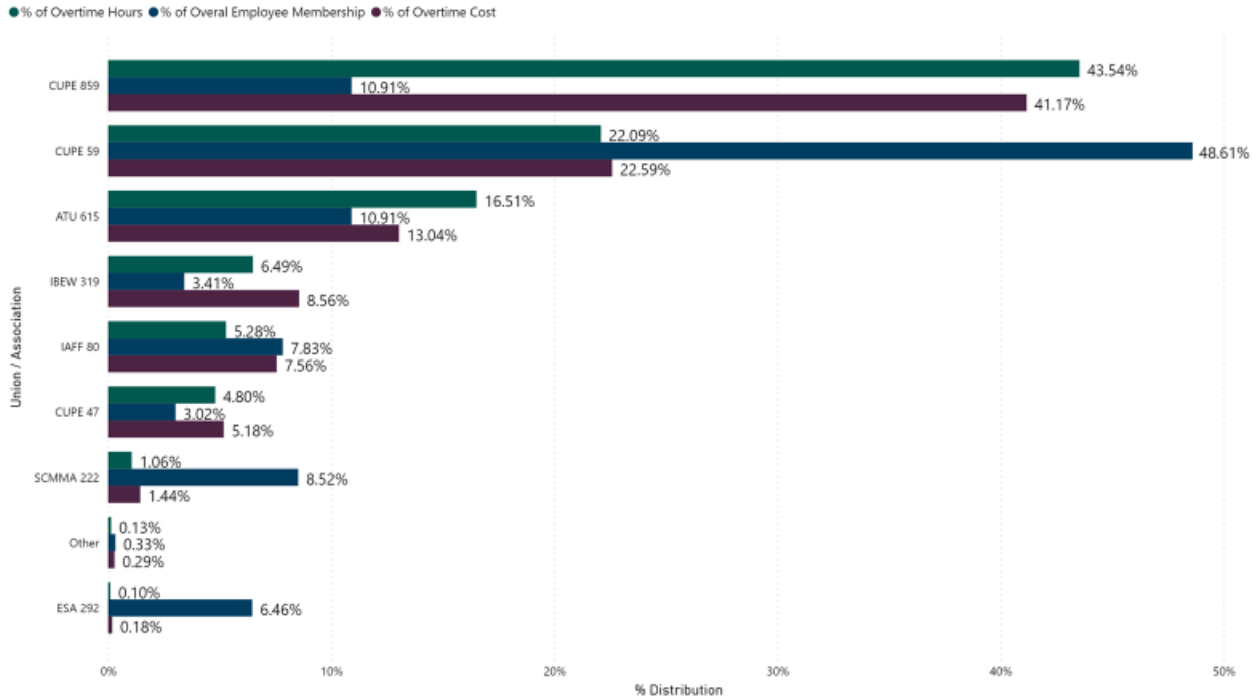
In 2020, the City employed 4,603 employees. This number takes into consideration both new hires and terminations during the year.

- 76.78 percent of the employees are employed in the City's four (4) customer-facing departments.
- Community Services is the City's largest department, employing approximately 25.1 percent of the City's employee population.
- Transportation & Construction is the second-largest department and employs 24.1 percent of the overall employee population, followed by Utilities & Environment (19.3 percent) and Saskatoon Fire (6.5 percent).

Overtime Utilization by Union and Association Membership

Chart 3 demonstrates the percentage of overtime costs and hours compared to the percentage of civic employees per union/association.

CHART 3: OVERTIME COSTS, OVERTIME HOURS BY UNION MEMBERSHIP (2020)

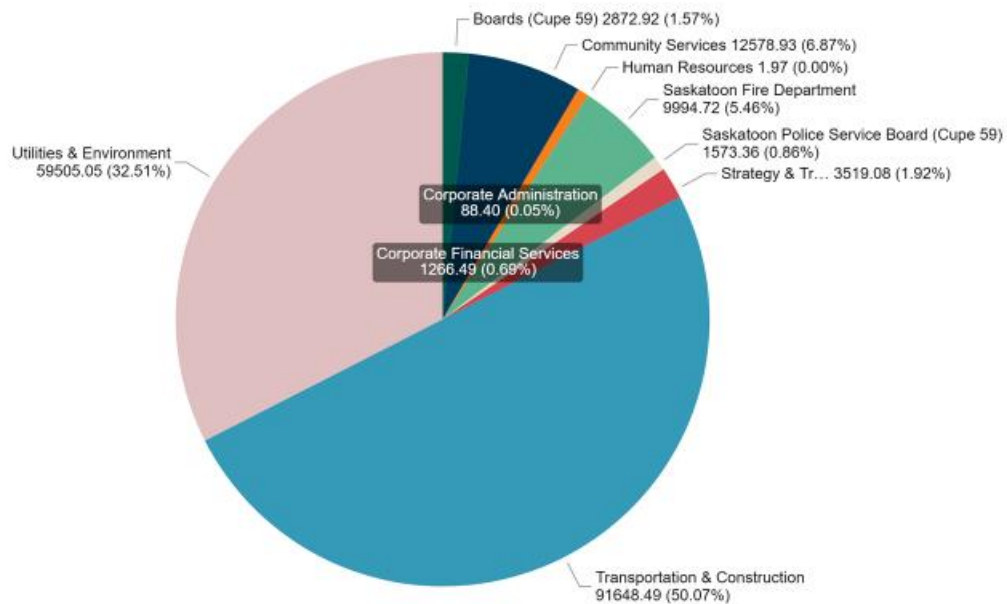


- CUPE 59 is the City's largest union and represents almost half of the total employee population (48.6 percent) and accounted for 22.1 percent of the overtime hours worked and 22.6 percent of total overtime costs in 2020.
- CUPE 859 represented 10.9 percent of the employee population and accounted for 43.5 percent of the overtime hours worked and 41.2 percent of total overtime costs in 2020.
- ATU represented 10.9 percent of the employee population and accounted for 16.5 percent of the overtime hours worked and 13.0 percent of total overtime costs in 2020.

Total Overtime Hours Distribution by Department

Chart 4 provides a breakdown of the overtime hours and percent distribution by the department.

CHART 4: OVERTIME HOURS BY DEPARTMENT (2020)

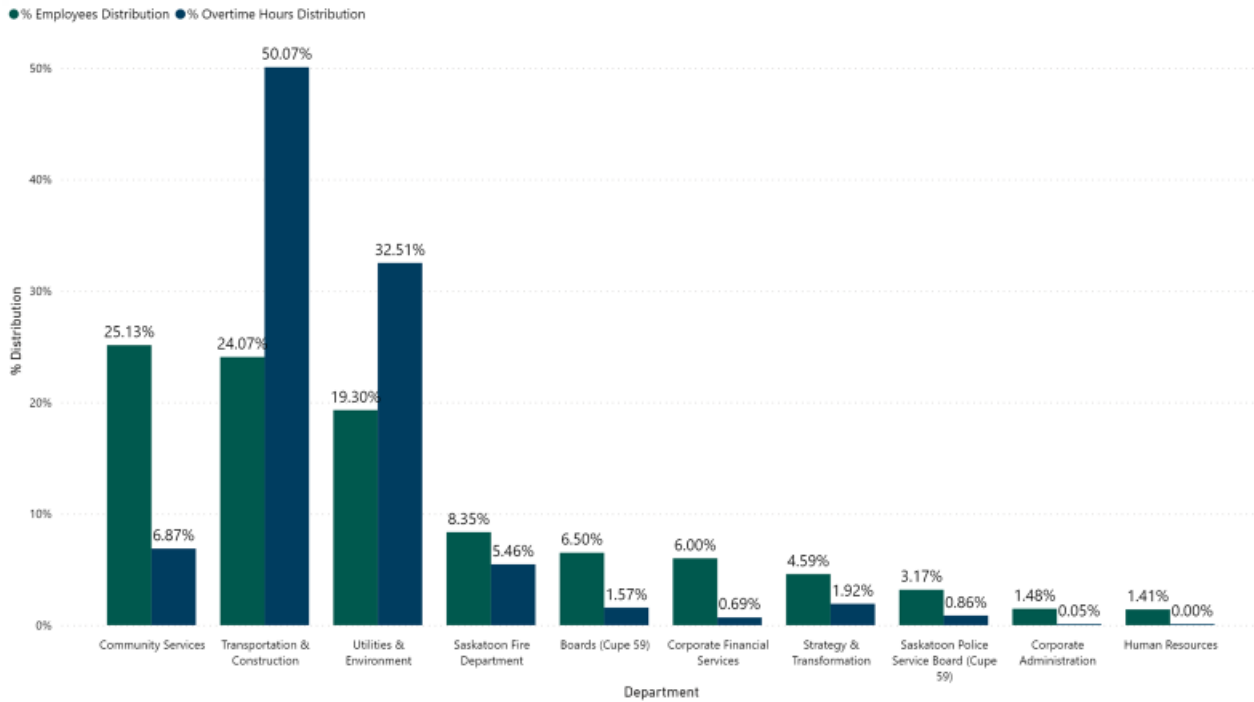


- The four customer-facing departments (i.e., Transportation & Construction, Utilities & Environment, Community Services and Saskatoon Fire) accounted for more than 95 percent of the City's overtime.
 - Transportation & Construction had the largest overtime hours (50.1 percent) in 2020.
 - Utilities & Environment had the second largest overtime hours (32.5 percent) in 2020.

Overtime Hours Distribution and Employees by Department

Chart 5 demonstrates total overtime hours and employee distribution by department.

CHART 5: OVERTIME HOURS DISTRIBUTION AND EMPLOYEES DISTRIBUTION BY DEPARTMENTS (2020)

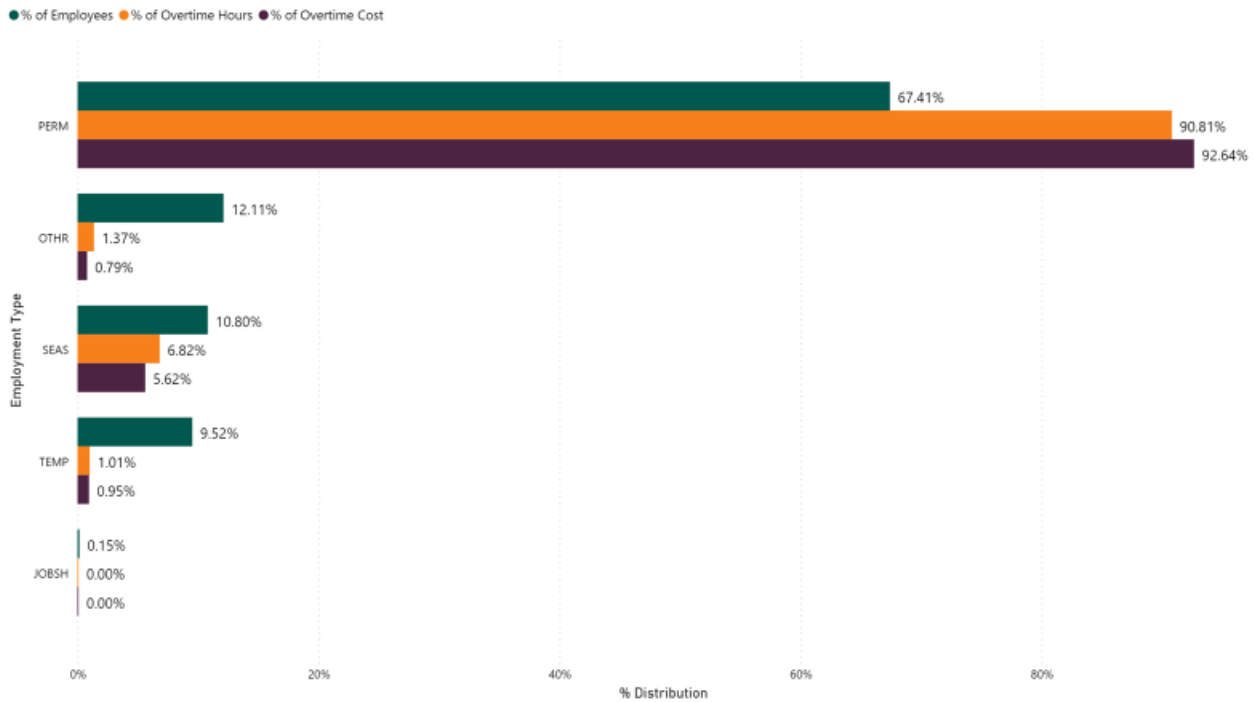


- Transportation & Utilities employed 24.1 percent and accounted for 50.1 percent of the overtime hours worked.
- Utilities & Environment employed 19.3 percent of the employee population and accounted for 32.5 percent of the overtime hours worked.
- Community Services employed 25.1 percent of the employee population and accounted for 6.9 percent of the overtime hours worked.

Overtime Hours and Costs Trend by Employment Type

Chart 6 demonstrates overtime cost and overtime hour trend by employment type.

CHART 6: OVERTIME HOURS WORKED, COSTS OF OVERTIME BY EMPLOYEMENT TYPE (2020)

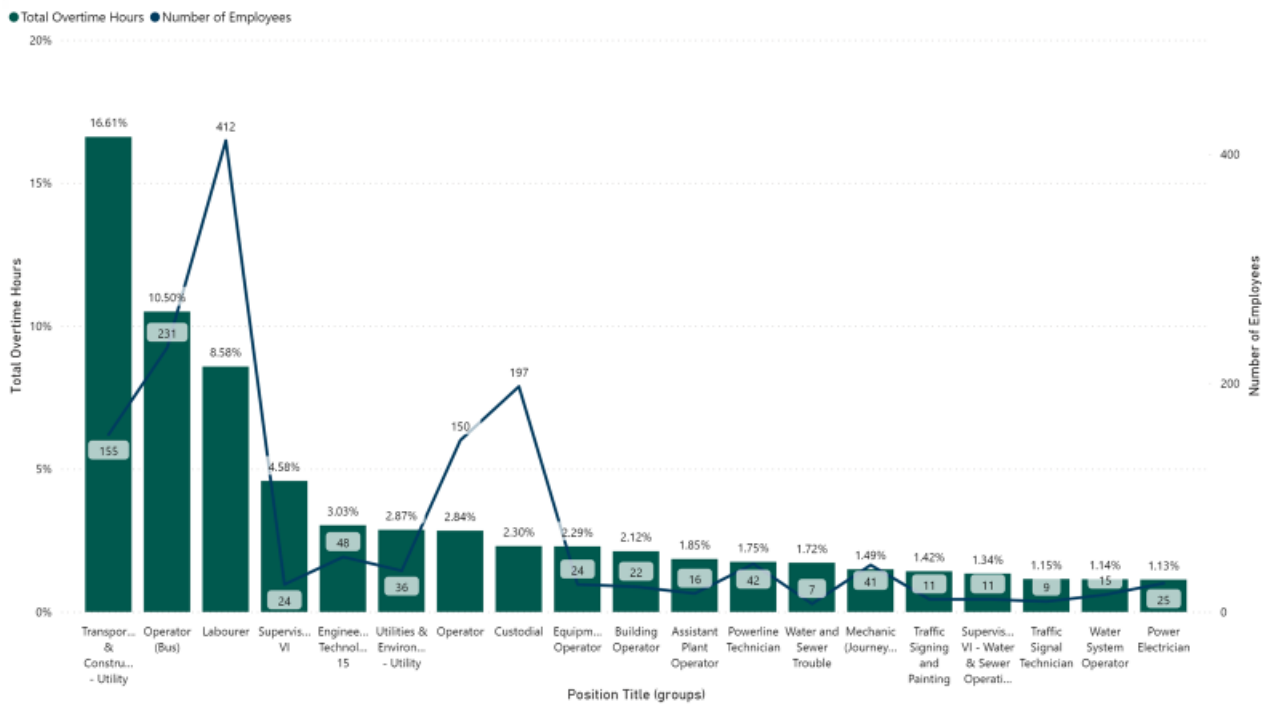


- Permanent employees comprised 67.4 percent of the total employee population, accounting for 91 percent of total overtime hours worked and 93 percent total overtime costs in 2020.
- Seasonal employees made up 10.8 percent of the total employee population and accounted for 6.8 percent of total overtime hours worked and 5.6 percent of total overtime costs in 2020.
- Other employees made up 12.1 percent of the total employee population and accounted for 1.4 percent of total overtime hours worked and 0.8 percent of total overtime costs in 2020.
- Temporary employees made up 9.5 percent of the total employee population and accounted for 1.0 percent of total overtime hours worked and 1.0 percent of total overtime costs in 2020.

Overtime Costs by Job Classification

Chart 7 demonstrates the distribution of overtime hours by job classifications. This chart includes the 21 classifications that each accounted for greater than one percent of the total overtime hours. Classifications with less than 1 percent contribution are excluded.

CHART 7: CLASSIFICATION >1 PERCENT TOTAL OVERTIME HOURS WORKED (2020)

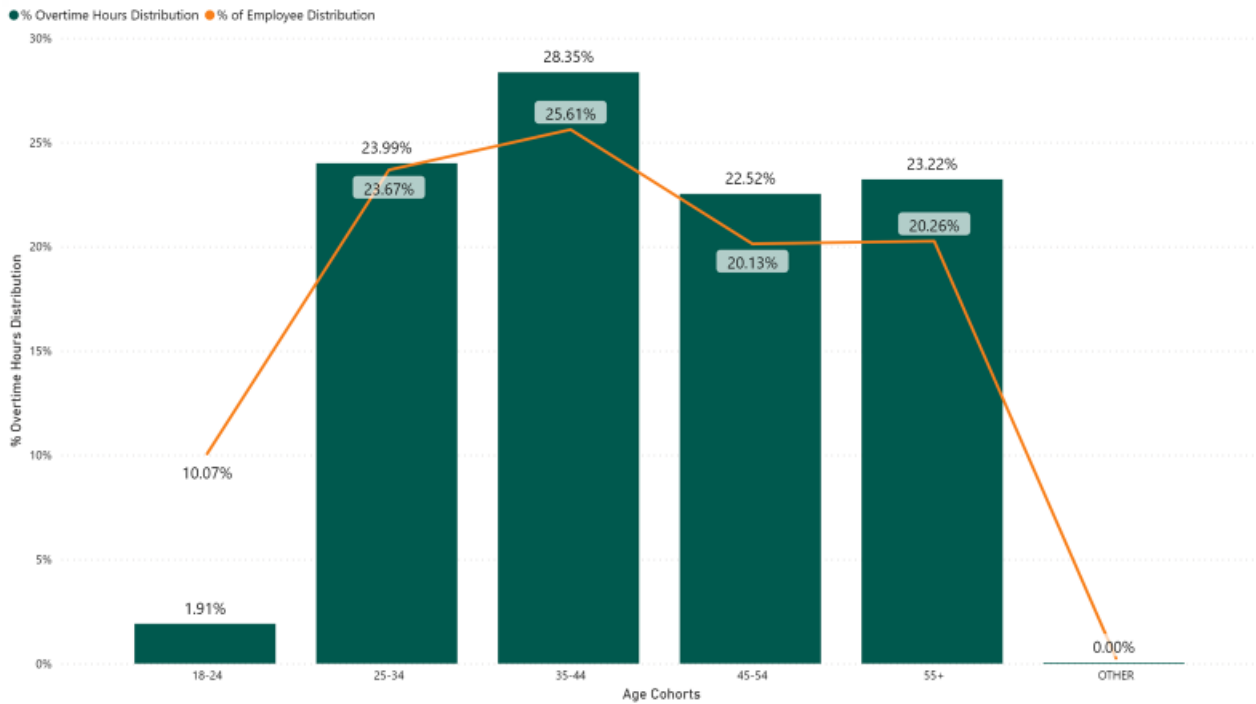


- The City had 728 job classifications in 2020:
 - 380 classifications (52.2 percent) did not work any overtime; and
 - 348 classifications (47.8 percent) worked for overtime hours.
- Twenty-one classifications (1,412 employees) accounted for 66.3 percent total overtime hours and 63 percent of total overtime cost.
- Transit Operators (361 employees) accounted for approximately 14.3 percent of the total overtime hours.
- Labourers, the largest job classification group (465 employees), accounted for approximately 8.6 percent of the total overtime hours worked.

Overtime Hours by Age Cohort

Chart 8 demonstrates the distribution of overtime hours by employee age cohort.

CHART 8: OVERTIME HOURS BY AGE COHORT (2020)

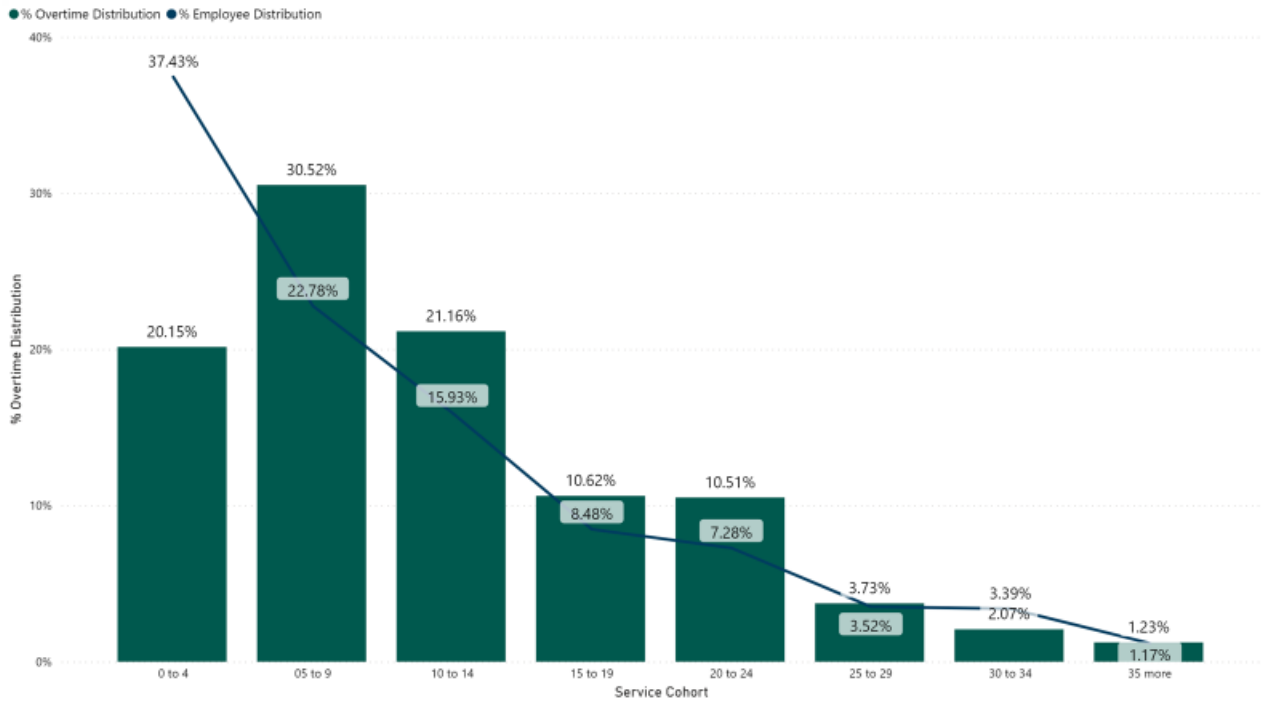


This graphic indicates a greater proportion of overtime in the 35-44 age group category which is representative of the demographic that makes up the City's workforce compared to the overall the employee population.

Overtime by Years of Service

Chart 9 demonstrates the overtime hours distribution by employee service-cohort.

CHART 9: OVERTIME HOURS BY SERVICE COHORT (2020)



- Employees with less than five years of service are less likely to be assigned or accept overtime.
- Employees with more than 25-34 years of service are less likely to be assigned or accept overtime hours.

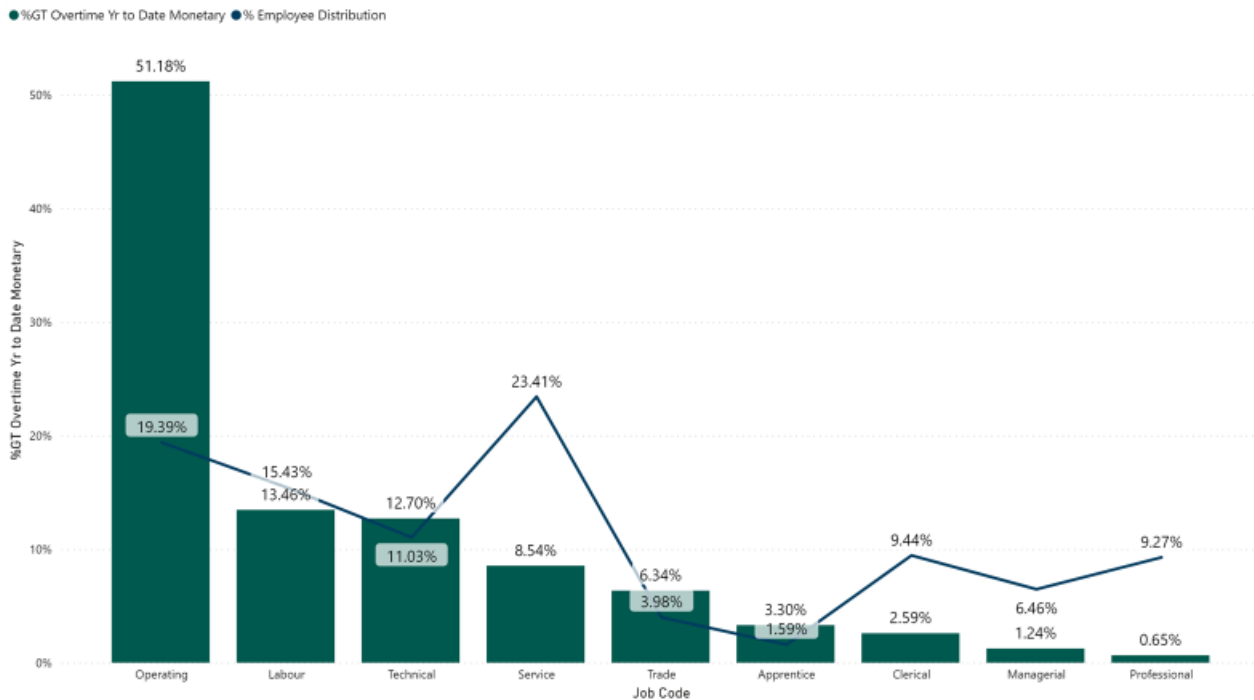
Overtime by Occupational Group

Chart 10 shows the overtime hour distribution by occupational group.

The City has created a number of occupational groups for the purposes of analysis:

- Professional
- Managerial
- Clerical
- Apprentice
- Service
- Trade
- Technical
- Labour
- Operating

CHART 10: OVERTIME HOURS BY OCCUPATIONAL GROUP (2020)



- The Operating occupational group makes up 19 percent of employees and accounts for 54.7 percent of the overtime (100,088 hours) worked in 2020. Operating occupational group includes the following job classifications: Transit Operator, Utility B, Utility A, Access Transit Operator, Supervisor 6, Facility Operator, Utility Collections Operator, and Building Operator.
- The Labour occupational group makes up 15.4 percent of employees and accounts for 16.5 percent of overtime (30,207 hours) worked in 2020. The Labourer occupational group includes the following job classifications: Labourer, Building Custodian, Event Services Custodian, Urban Biological Services Labourer, Traffic Signing and Painting, Water, and Sewer Labourer.
- The Technical occupational group makes up 11.1 percent of employees and accounts for 10.8 percent of overtime (19,762 hours) worked in 2020. The Technical occupational group includes the following job classifications: Programmer Analyst, Engineering Technologist 15, Parks Technician 9, System Analyst, Building Inspector, and Zookeeper.

DRIVERS OF OVERTIME

Overtime Utilization

Overtime utilization at the City has decreased over the last several years. Some services provided by the City have frequent changes in demand due to the nature of the services (emergencies and customer demand) and seasonal requirements (weather conditions impact such services as snow clearing). Many of these fluctuations in demand are difficult to anticipate.

Risks of Overtime

While there are substantial benefits of using overtime in the City's service delivery model, it is important to monitor overtime utilization to ensure excessive overtime is managed from a departmental and individual perspective.

Excessive overtime can result in lower productivity, increased absenteeism, missed work due to injury or illness, or result in higher employee turnover. Excessive overtime for long durations is a concern for the City both from an employee health and wellness and a cost-containment perspective.

Fusion

As the City moves through the staged implementation of the new ERP system (Fusion), trends and data available to better manage personnel will be more readily available to managers.

Fusion will also provide managers with more information in relation to absenteeism, turnover, daily overtime, and scheduled absences. Unmanaged absences due to vacation, illness, disability, training, and employee turnover has potential to have an impact on overtime costs.

CONCLUSION

Workforce management is a critical element in managing overtime. This involves forecasting workload, calculating staff requirements, managing work schedules, and analyzing and monitoring processes and trends. Increased reporting and improved data access to managers will improve the City's ability to respond to changing overtime trends. Starting in 2021, the implementation of Fusion will provide managers with better information to forecast and analyze trends. As the corporation's data and reporting capabilities improve, so will the ability to manage overtime.

The City is committed to a Safe, Healthy, and Engaged workforce. Effective management of overtime is critical to demonstrate the corporate values, specifically, that *People Matter*.

REPORT APPROVAL

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