

Citywide Overtime Audit

CITY OF PORTSMOUTH, NEW HAMPSHIRE



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INTRODUCTION AND EXECUTIVE SUMMARY

This initial chapter of the report introduces the approaches utilized in this study and summarizes key findings, conclusions and recommendations to be found in this report.

1. INTRODUCTION TO THE REPORT.

The Matrix Consulting Group was retained by the City of Portsmouth, New Hampshire, to conduct a Citywide Overtime Study. In reaching the conclusion of the study, the project team has assembled this final report, which summarizes our findings, conclusions and recommendations, where appropriate. This report represents the two months of analysis of the magnitude, causes and management / supervisory control of overtime in all departments in the City (excluding School Department educational personnel).

The scope of this study was comprehensive and included the following general objectives:

- Report on total overtime for fiscal years 2004 and 2005, including overtime usage and cost by type and cause.
- Study adherence by City departments to established policies governing overtime, including labor contracts and other City policies.
- Make policy and operational recommendations related to billing outside events and organizations for overtime costs.
- Make recommendations for changes in City organizational structures and/or operations in order to ensure budgetary control for overtime.
- Perform cost benefit analysis and make recommendations for alternative staffing structures to decrease overtime usage and costs.

- Identify constraints (e.g., labor contracts, ordinances, City Charter requirements) affecting the ability of administration officials to control overtime usage and costs.
- Propose a series of performance measures related to overtime, which can be utilized to monitor the efficient and proper use of overtime.
- Provide a comparative analysis of the City's overtime usage.

In this Citywide Overtime Study, the Matrix Consulting Group utilized a wide variety of data collection and analytical techniques. The project team conducted the following data collection and analytical activities:

- The project team initiated the project by interviewing the City's management team to identify background issues for the study and confirm the scope of work, schedule, etc.
- The project team utilized an intensive process of interviewing a wide range of staff in each City department.
- In addition to interviews, the project team collected detailed data from each department, documenting costs, workloads, service levels, operations and, specifically, overtime usage and costs.
- The project team developed a descriptive summary of overtime usage and costs, as well as the organizational / operational environments which sometimes result in the need for overtime.
- Midway through the project, the Matrix Consulting Group met with the City Council, in a public meeting, to inform them about the scope of our project as well as to obtain their input on key study issues.
- The Matrix Consulting Group compared overtime usage and costs as well as staffing levels and certain operational and service delivery indices, against other cities and towns in New England.
- The project team also compared overtime usage, policies and controls to 'best practices.' This step served to identify issues in our analytical process.
- The project team reviewed facts, issues and preliminary conclusions with a steering committee comprised of the City Manager and key departmental managers.

In summary, the processes utilized by the Matrix Consulting Group in this study included intensive input from departmental staff, detailed data collection and analysis, and an interactive process at each key step in the project.

2. EXECUTIVE SUMMARY.

The analysis and supporting documentation contained within this report are extensive. This Executive Summary, however, provides a summary of the strengths of the City relating to the use and control of overtime as well as opportunities for improvement.

(1) Key Strengths in Portsmouth Relating to Overtime.

A management study or audit, such as this one, tends to focus primarily on areas where improvement opportunities exist. However, this study has also identified many positive areas in the use and control of overtime and compensatory time which should be highlighted. These include:

- The project team conducted a comparative survey of other New Hampshire and New England communities to document how Portsmouth compares in overtime indicators and practices. This survey revealed the following:
 - Overtime expenditures per FTE in the Portsmouth Police Department, one of the highest overtime generators in most communities, are 30% lower than the median of the agencies surveyed (excluding private details).
 - Public Works overtime expenditure per FTE is significantly higher in the survey communities than overtime expenditures per FTE in Portsmouth.
 - Unlike virtually all of the survey communities, Portsmouth has centralized the accounting and billing of overtime provided to outside entities.
 - Managers in Portsmouth have on-line access to budgetary reports, including overtime tracking, which most other communities do not have.
- The project team also compared the City of Portsmouth to 'best management practices' in the use and control of overtime and compensatory time. These measures are used by the project team to highlight the strengths of an

organization as well as opportunities for improvement. Positive comparisons for Portsmouth include:

- Collective bargaining agreements describe overtime and compensatory time parameters for employees.
- Several of the City's departments take additional steps to monitor the cost, use and control of overtime.
- Several departments continually review alternative flexible scheduling of staff to reduce overtime exposure.
- The City continually evaluates positions for FLSA exemption potential.
- Compensatory time is capped in the City.
- As noted in the comparative survey, managers have on-line access to budget and expenditure reports, including overtime tracking.

The City should use the best practice measures contained in this report to monitor future performance.

The project team also identified several areas which should be strengthened in the use and control of overtime and compensatory time in Portsmouth. The next subsection summarizes our recommendations.

(2) Summary of Recommendations for Improvement.

This summary of recommendations is intended to provide a brief synopsis of the results of this audit. The exhibit also shows who would be responsible for the implementation of each change (i.e., City Manager/City Council, Police and/or Fire Commission, individual department managers) and whether the recommendation should be viewed as a short term or long term opportunity, subject to a future collective bargaining agreement (CBA).

Chapter	Recommendation	Responsibility	Short Term or Subject to CBA
Collective Bargaining Agreements	The City should seek language to be included in future collective bargaining agreements that enables it to change scheduled work hours on at least a temporary basis (such as 30 to 60 days), to meet department operating needs. Appropriate notice, typically two weeks, should be provided to all employees prior to the implementation of the revised work schedule. The cost impact associated with this change would depend on the results of contract negotiations. The ability to make permanent changes in work schedules should also be explored as the collective bargaining opportunity presents itself.	City Negotiating Team	CBA
	The City should negotiate the exclusion of all leaves as hours worked for the computation of overtime. The City should consider whether it desires to continue the practice of compensating hours worked in excess of a normal workweek, but less than 40 in a work week at overtime rates. The cost impact associated with this change would depend on the results of contract negotiations.	City Negotiating Team	CBA
	In future contract negotiations, the City of Portsmouth should seek to standardize the approach taken to compensate for standby pay and the required minimum hours compensated for all employees called in to work outside their normal work hours. Employees receiving standby pay should be compensated for a minimum of two hours at the overtime rate on each call in (as long as they do not overlap) and employees not receiving standby pay should be compensated for a minimum of three hours at the overtime rate. The cost impact associated with this change would depend on the results of contract negotiations.	City Negotiating Team	CBA
	The City of Portsmouth should expand the utilization of “acting” pay by including within collective bargaining agreements the ability to utilize qualified employees in higher rated positions to fill temporary vacancies. The cost impact associated with this change would depend on the results of contract negotiations.	City Negotiating Team	CBA

Chapter	Recommendation	Responsibility	Short Term or Subject to CBA
Collective Bargaining Agreements (continued)	The City should limit the use of compensatory time in the organization. However, the City should also negotiate greater discretion for department heads to utilize compensatory time in selected situations, with limits, in which either overtime would be required or the hiring of another position.	City Negotiating Team	CBA
City Overtime Policies	The City, in conjunction with the Fire and Police Commissions and the School Board, should clearly spell out the appropriate uses of regular staff hours, alternative staffing approaches and overtime and compensatory time. There would be improved overtime control with this policy.	City Manager Commissions School Board	CBA
	The City, in conjunction with the Fire and Police Commissions and the School Board, should have clearly described policies regarding the maximum use and accrual of overtime in a pay period which is appropriate to the position and function. There would be improved overtime control with this policy.	City Manager Commissions School Board	CBA
	The City should adopt a general policy governing oversight of overtime. The Police Commission and the School Board should implement specific policies relating to the use and control of overtime.	City Manager Commissions School Board	Short Term
	The City, in conjunction with the Fire and Police Commissions and the School Board, should adopt a comprehensive policy governing compensatory time off. More specific policies should be developed by the Police and Fire Commissions. These policies should include maximum accrual limits. There would be improved controls over future unfunded liabilities	City Manager Commissions School Board	Short Term
	The compensatory time-off policy should have a description of how compensatory time buy-out occurs and how it is paid. There would be improved controls over future unfunded liabilities	City Manager Commissions School Board	Short Term
	The compensatory time-off policies should clearly describe who is covered and the circumstances in which its use is warranted. There would be improved controls over future unfunded liabilities.	City Manager Commissions School Board	Short Term

Chapter	Recommendation	Responsibility	Short Term or Subject to CBA
City Overtime Policies (continued)	Training should be provided to employees in supervisory and managerial positions regarding the expectations placed on them to manage overtime/compensatory time. Appropriate resources such as reports and contract changes should be provided to supervisors to assist them in this obligation.	Department Managers	Short Term
Overtime Monitoring/ Reporting	<p>The City should use its financial management information system (Pentamation) or other database to develop a series of reports assisting departmental managers to better understand and control the use and cause of overtime and compensatory time. These reports should include:</p> <ul style="list-style-type: none"> • Overtime by cause • Overtime as a % of salary • Overtime hours per employee • YTD overtime expenditures • Overtime hours and leave use • Overtime reduction • Compensatory time earned • Compensatory time used • Compensatory time accrued <p>These system modification costs cannot be quantified by the project team.</p>	Finance Director	Short Term
Operational Issues	The City should consider increasing the number of authorized and budgeted Firefighters on each shift from 14, the current level, to 15. This will require the budgeting of four additional personnel. While this will not eliminate all of the Department's overtime it would reduce it significantly. Wages and fringe benefits to hire an entry level Firefighter could range from \$54,000 to over \$60,000, depending on the health insurance package chosen by the employee. Using an average cost of \$57,000 per new hire, it would cost the City approximately \$228,000 to add four personnel at the Firefighter level, but would eliminate approximately the same amount of overtime.	City Council	Short Term

Chapter	Recommendation	Responsibility	Short Term or Subject to CBA
Operational Issues (continued)	<p>The City should seek contract changes that would enable a Firefighter to step up to a Fire Officer's position under the following circumstances:</p> <ul style="list-style-type: none"> • The step-up Firefighter is one of the top four candidates on the promotion list. • The step-up Firefighter is on-duty on the shift that has the Fire Officer vacancy. <p>There would be greater flexibility in filling vacancies by other means than overtime.</p>	City Negotiating Team	CBA
	<p>The Fire Commission and Fire Department should explore ways in which annual leave can be scheduled to alleviate large fluctuations in the number of personnel off on a shift. The Department should review the system of summer and winter vacation pick system, and limits on the number of personnel who can request annual leave on a shift as a starting point for development of a policy.</p>	Fire Commission Fire Chief	CBA
	<p>The Fire Department should continue to monitor the number of hours of overtime worked by staff to ensure that staff are not being over-worked.</p>	Fire Commission Fire Chief	Short Term
	<p>The Police Department should identify overtime auditing and control as a responsibility for one of its ranking officers. The overtime and auditing control officer should develop policies, particularly in regard to leave and incident-related overtime to better specify the conditions under which overtime should be used. The Department should set a goal for reducing leave related overtime. The overtime and auditing control officer should periodically audit overtime to determine if, and to what extent, overtime is being used properly.</p>	Police Commission Police Chief	Short Term
	<p>The Police Department should conduct a workload and staffing analysis of citizen generated service calls to determine if there is a need to reallocate the number of personnel assigned to each shift to better match service demand patterns in the City.</p>	Department	Short Term

Chapter	Recommendation	Responsibility	Short Term or Subject to CBA
Operational Issues (continued)	The number of training days for dispatchers should be reduced from 12 to four. The eight remaining training days should be used by the Department to reduce the amount of overtime currently used to fill in for dispatchers who are on leave. The annual cost savings associated with this is estimated at \$18,700.	City Council Police Commission	Short Term
	The Police Department and the Police Commission should limit the amount of overtime and detail work to an appropriate number of hours per week per officer if the Officer is scheduled to work five days that week. If an Officer has scheduled vacation for a week, the overtime and detail hour limit could be expanded. Officers who take sick time during a workweek should not be offered overtime or detail work during that same week (rather than the current 24 hours).	Police Commission Police Department	CBA
	The Public Works Department should expand collection and analysis of overtime and compensatory utilization, and explore additional opportunities to flexibly schedule non-emergency activities to reduce overtime costs.	Public Works Department	Short Term

1. OVERVIEW OF CITYWIDE OVERTIME AND COMPENSATORY TIME

As part of the citywide audit of overtime, the project team collected data regarding overtime utilization and compensatory time for each City department for which data were available. This section presents a summary of the overtime and compensatory time utilization. Additional data for each of the departments are provided as an attachment (Attachment A) to this report.

1. OVERTIME DATA WERE COLLECTED FOR CITY DEPARTMENTS.

The Matrix Consulting Group collected data regarding overtime utilization and costs for all City departments in which overtime was generated. The project team collected actual expenditures for Fiscal Year 2003 – 2004 and Fiscal Year 2004 – 2005. The table, which follows, presents a comparison of salary costs and overtime expenditures.

Department	Fiscal Year 2003 – 2004 Actual Expenditures		Fiscal Year 2004 – 2005 Actual Expenditures	
	Salaries	Overtime	Salaries	Overtime
City Clerk	\$124,532	\$1,882	\$114,381	\$1,239
Finance	\$782,953	\$2,337	\$727,449	\$4,728
Fire	\$2,471,044	\$637,641	\$2,699,752	\$680,458
Inspections	\$234,119	\$1,161	\$243,617	\$2,736
Library	\$712,880	\$1,984	\$766,104	\$2,206
Planning	\$222,850	\$5,356	\$215,093	\$7,027
Police	\$3,547,359	\$427,712	\$3,982,392	\$462,871
Public Works – Highway	\$1,954,838	\$206,975	\$2,123,642	\$328,496
Public Works – Sewer	\$909,087	\$71,566	\$939,190	\$70,117
Public Works – Water	\$958,902	\$89,526	\$1,029,599	\$85,741
Recreation	\$499,289	\$1,464	\$507,949	\$130
Schools (Non-instruct.)	\$1,928,021	\$98,795	\$2,161,323	\$90,326

The average change in salary costs from Fiscal Year 2003 – 2004 to Fiscal Year 2004 – 2005 was 3% for the Departments presented in the above table.

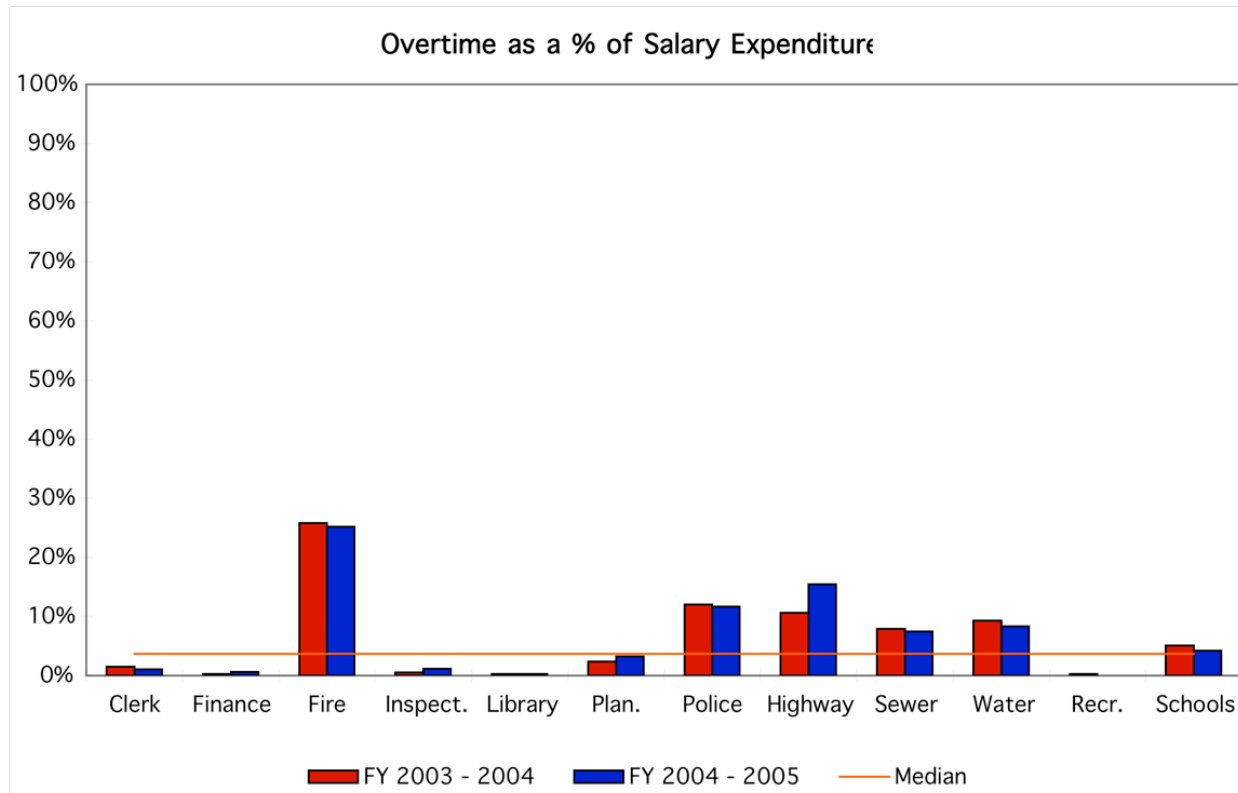
- Departments with increased salary expenditures include: Inspections (4%), Fire (9%), Library (7%), Police (12%), Public Works – Highway (9%), Public Works – Sewer (3%), Public Works – Water (7%), Recreation (2%), and Schools (12%).
- Departments with decreases in salary costs include: City Clerk (8%), Finance (7%), and Planning (3%).

The table, which follows, presents the dollar amount and percentage change for overtime expenditures for each department for Fiscal Year 2003 – 2004 and Fiscal Year 2004 – 2005.

Department	Change in Overtime from FY 2003 - 2004 to FY 2004 - 2005	
	Dollar	%
City Clerk	(\$643)	-34%
Finance	\$2,391	102%
Fire	\$42,817	7%
Inspections	\$1,575	136%
Library	\$222	11%
Planning	\$1,671	31%
Police	\$35,159	8%
Public Works – Highway	\$121,521	59%
Public Works – Sewer	(\$1,449)	-2%
Public Works – Water	(\$3,785)	-4%
Recreation	(\$1,334)	-91%
Schools	(\$8,469)	-9%

As shown in the table, the overtime expenditures from Fiscal Year 2003 – 2004 to Fiscal Year 2004 – 2005 changed significantly in most departments. The average percentage change in overtime was 18%.

The chart, presented on the following page, shows overtime expenditures as a percentage of actual salary expenditures for Fiscal Year 2003 – 2004 and Fiscal Year 2004 – 2005 for each department.



The points, which follow, provide a discussion of the information presented in the table.

- For the departments, the median for Fiscal Year 2003 – 2004 and Fiscal Year 2004 – 2005 of overtime as a percentage of salary expenditures was 3.7%.
- The table, below, presents the departments in which overtime expenditures as a percentage of salary fell below the median from Fiscal Year 2003 – 2004 and Fiscal Year 2004 – 2005.

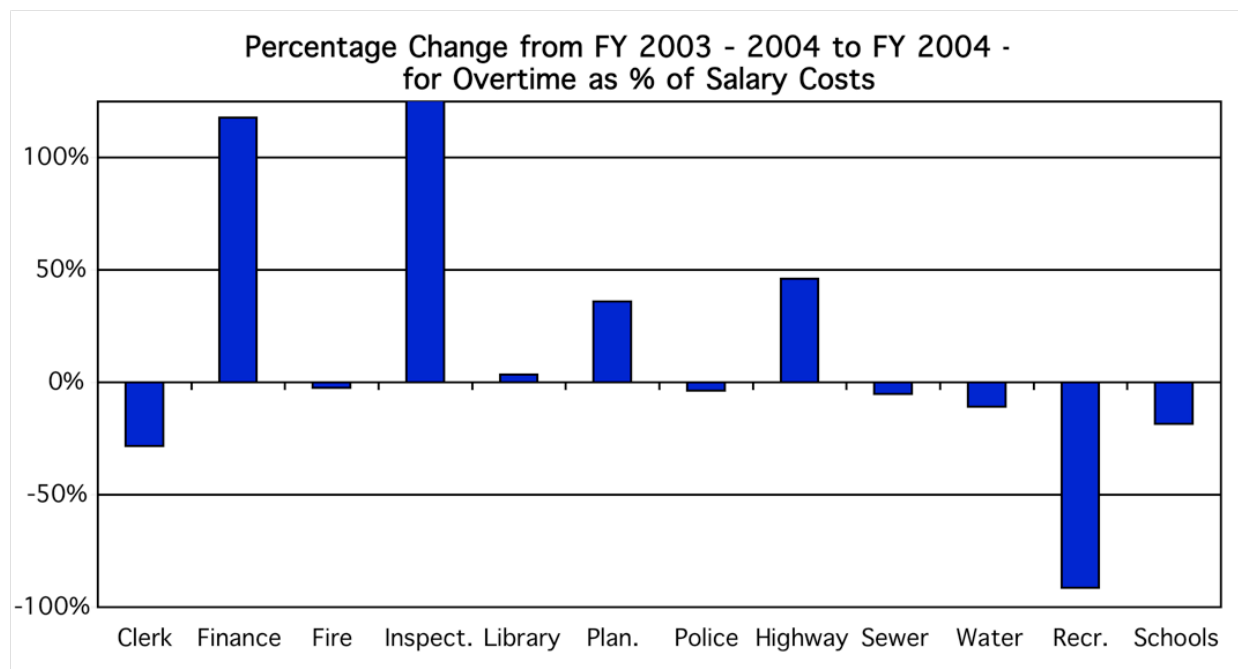
Department	Overtime Costs as % of Salary Costs	
	FY 2003 - 2004	FY 2004 - 2005
Clerk	1.5%	1.1%
Finance	0.3%	0.6%
Inspections	0.5%	1.1%
Library	0.3%	0.3%
Planning	2.4%	3.3%
Recreation	0.3%	0.03%

As shown in the table, overtime expenditures as a percentage of salary costs for most of the general government operations were well below the median of 2.4%.

- The table, below, presents the departments in which overtime expenditures as a percentage of salary were above the median from Fiscal Year 2003 – 2004 and Fiscal Year 2004 – 2005.

Department	Overtime Costs as % of Salary Costs	
	FY 2003 - 2004	FY 2004 - 2005
Fire	25.8%	25.2%
Police	12.1%	11.6%
Highway	10.6%	15.5%
Sewer	7.9%	7.5%
Water	9.3%	8.3%
Schools	5.1%	4.2%

- The chart, which follows, presents the percentage change from Fiscal Year 2003 – 2004 and Fiscal year 2004 – 2005 for the each department with respect to overtime as a percentage of salary expenditures.



As shown in the chart, Finance, Inspections, Library, and Planning Departments and the Public Works' Highway Division experienced an increase in overtime costs as a percentage of salary costs from Fiscal Year 2003 – 2004 to Fiscal Year 2004 – 2005. For Public Works, this increase is explained in differences in snow removal costs between the years.

The section, which follows, presents data on compensatory time for the departments.

2. COMPENSATORY DATA WERE REVIEWED FOR DEPARTMENTS.

The project team collected data, where available, on compensatory time utilized for each department. While compensatory time is outlined by the contracts, departments have developed some policies and procedures that govern the use and accrual of compensatory time. The table, which follows, presents the compensatory time earned by employees covered under the Professional Management Association.

Management Earned Time (Compensatory Time for Mandatory Night Meetings)			
Department	No. of Employees	2004	2005
Building Inspections	1	10	7.5
City Attorney	1	13	13
City Clerk	1	13	13
Community Development	2	24	24
Controller	2	13.5	14.5
Economic Development	1	10	10
Finance	1	9	9
Human Resources	1	11	8
Library	2	21	16
Planning	3	37	34
Public Works	3	28.5	26
Recreation	1	10	10
Health	1	13	11
Welfare	1	2	2
Total	21	215	198

As noted, members of the Professional Management Association (PMA), earn leave time as compensation for mandatory attendance at night meetings. On average, the number of days earned per employee was 9.77 in 2004 and 9 in 2005. The number of days earned decreased by 8.6% from 2004 to 2005. The table, below, presents the distribution of days by individual employees.

Management Earned Time (Compensatory Time for Mandatory Night Meetings)		
Employee	2004	2005
#1	10	7.5
#2	13	13
#3	13	13
#4	13	13
#5	11	9.5
#6	5	6
#7	8.5	8.5
#8	10	10
#9	5.5	6
#10	11	9
#11	9	9
#12	11	8
#13	10	6
#14	11	10
#15	13	12
#16	13	13
#17	11	10
#18	12	13
#19	10	10
#20	0	0
#21	13	11
#22	2	2
Percentile	Number of Days	Number of Days
25%	9.25	6.75
50%	11	9.75
75%	12.75	11.75
100%	13	13

As noted, earned time for mandatory night meetings decreased by 8.6% from Fiscal Year 2003 – 2004 to Fiscal Year 2004 – 2005. Of the twenty-two employees above, 10 employees earned the same amount of time, 2 employees earned more time in 2005 than in 2004, and 9 employees earned less time for mandatory night meetings.

In addition to compensatory time earned under several contracts, non-exempt employees are able to earn compensatory time in lieu of overtime. How these data are tracked varies among the departments in the City. Where available, the project team

collected data on compensatory leave time. The points, which follow, present additional data regarding compensatory time.

- The Police Department tracks compensatory time. In Fiscal Year 2004 - 2005, departmental employees used 4,093 hours of compensatory time (and earned 2,817 hours in the fiscal year).
- The Public Works Department tracks compensatory time for its Water and Sewer personnel. The table, below, presents the compensatory time earned by staff assigned to the wastewater treatment facility.

DPW – Wastewater Treatment Facility		
Compensatory Time	2004	2005
Hours Earned	85	114
Hours Taken	63	96

In addition to personnel at the wastewater treatment facility, staff assigned to the water treatment plan earned 478 hours of compensatory time from January 1, 2005 through December 10, 2005.

The section, which follows, provides a 'best practices' assessment which sets the stage for the analysis of the use and control of overtime and its alternatives by identifying issues associated with current policies and practices.

2. DIAGNOSTIC ASSESSMENT OF OVERTIME ISSUES IN PORTSMOUTH

While the Citywide overtime audit is designed to provide an analysis of overtime utilization, this chapter represents an important step for the project team to identify issues associated with current practices as well as performance targets for the future. To accomplish this, project team developed a set of performance measures which we call “best management practices” against which to evaluate overtime utilization and administration. The measures utilized have been derived from the project team's collective experience and represent the following ways to identify departmental strengths as well as improvement opportunities:

- Statements of "effective practices" or “industry standards”.
- Identification of whether and how the City meets the performance target.
- Discussion of the shape and magnitude of the issue is discussed.

This assessment of overtime groups the discussion in five major areas, including:

Overtime Policies
Overtime Controls
Overtime Budgeting and Reporting
Personnel Practices

The following diagnostic assessment tool is provided a discussion of some of the major themes presented in this analysis which will provide the basis for the alternatives analysis in the ensuing chapters of the report.

Best Management Practice	Strengths	Opportunities for Improvement
OVERTIME POLICIES		
1. A citywide policy has been adopted covering overtime usage and procedures. This policy is supplemented by SOP's at the departmental level for larger departments. Training on the policy(ies) is part of periodic supervisory training.	Each collective bargaining agreement outlines overtime usage and procedures. Some departments have developed specific overtime operating procedures. When new contracts are negotiated, the Human Resources Department provides training to department managers and supervisors.	The City has not adopted a citywide overtime policy appropriate across all labor agreements. Training is provided on an as needed basis. Periodic updated supervisory training should be provided to department supervisors with respect to policies and contracts.
2. Overtime policies are designed to ensure that all employees carry their "fair share" of overtime hours.	Contracts determine how overtime is offered. For the most part, an overtime list is created which ranks eligible employees in order of seniority. In general, overtime is offered to personnel in a classification on a rotating basis so that everyone has an equal opportunity to work the available overtime. Personnel have the option of accepting or rejecting an overtime offer.	In spite of the policy that the opportunity to receive overtime is equal for employees, the distribution of overtime hours varies, depending on whether the individual accepts overtime hours. This may result in certain employees being asked to work unwanted overtime hours.
3. Overtime policies are designed to provide access to all qualified employees for overtime opportunities.	Overtime is authorized by classification.	
4. City policy provides penalties (i.e., disciplinary action) for individuals who work overtime without proper authorization.	Penalties for individuals who work overtime without proper authorization are determined at the department level.	The City does not have a city-wide policy relating to disciplinary actions for working overtime without authorization.
5. A City policy has been adopted outlining procedures for utilizing temporary and/or part-time employees to cover absences caused by extended employee leaves of absence where overtime may otherwise be required.	In practice, the City utilizes part-time and temporary employees to reduce some overtime costs (e.g., dispatch, parking garage attendant, etc.) However, this is typically done to cover variable demands for clerical staff and unskilled or low skilled positions.	The City has not developed a policy relating to the use of temporary or part-time employees.
6. Employees are not allowed (except in emergency situation) to work more than 16 hours per day or double shifts on more than two consecutive days.		Outside of what is specified in employee agreements, the City does not have a policy on the number of hours an employee can work in a day. However, with the exception of suppression personnel in Fire, the opportunity for this to occur is limited.

Best Management Practice	Strengths	Opportunities for Improvement
OVERTIME POLICIES (continued)		
7. Policies limit the total number of overtime hours that may be worked in an individual workweek by employees.		Outside of employee agreements, the City does not have policies limiting the number of overtime hours worked by an employee per workweek or on the number of days an employee can work without a day off.
8. City policy and/or collective bargaining agreements require the utilization of compensatory balances prior to use of other accrued leave such as vacation.	Some departments have placed restrictions on the use of compensatory time. For example, in the Public Works Department, employees can only accrue up to 40 hours. Additionally, some collective bargaining agreements cover the utilization of compensatory time (e.g., School custodial supervisors must utilize comp-time during the same pay period in which it was taken).	Outside of employee agreements, the City does not have a policy that requires the utilization of compensatory time prior to the use of accrued leave time.
9. A City policy has been adopted on Compensatory Time and addresses when it is appropriate, the amount that may accrued, the amount that may be carried forward, and the circumstances under which comp time may be paid out.	Some departments have developed policies and procedures addressing compensatory time. For example, the Police and Public Works Departments have created policies governing the use of compensatory time.	The City has not adopted a compensatory time policy.
OVERTIME CONTROLS		
10. All overtime worked by employees is pre-approved by a managerial/supervisory employee in advance with documentation regarding the need for overtime.	City departments require supervisory approval in advance of the overtime hours. Supervisors are also responsible for approving time and attendance cards.	A formal, written policy has not been developed addressing this.
11. All overtime hours worked are reviewed and receive sign-off by a supervisor as accurate prior to payment.	Supervisors approve and sign off on all overtime.	
12. Overtime in excess of predetermined limits per week requires secondary approval beyond the level of the immediate supervisor.		The City not developed a policy regarding this issue.

Best Management Practice	Strengths	Opportunities for Improvement
OVERTIME CONTROLS (continued)		
13. Overtime earned in excess of a pre-agreed upon level which is appropriate for a function requires prior approval from the City's Human Resources Department or City Manager.		The City does not have a policy in place which requires approval of overtime earned in excess of any level.
14. All supervisory and management employees are evaluated, as part of an annual evaluation, on their effectiveness in managing and controlling overtime (including compensatory time) usage.	While Department heads are not specifically evaluated on their ability to manage and control overtime, they are evaluated on their ability to operate within their budget.	Development of a specific review for overtime.
15. Only overtime required to meet vital service demands of the City are authorized.	Departments utilize overtime to maintain existing services (e.g., provide for coverage in emergencies, monitoring of water and wastewater facilities, etc.) and to fill minimum staffing levels in Police, Fire and Dispatch.	
OVERTIME BUDGETING AND REPORTING		
16. Activity codes are assigned to all overtime hours worked enabling analysis of the reason for the overtime. Codes are consistent city-wide and are at a level of detail for meaningful analysis to occur.	Activity codes are assigned to overtime hours in the City's payroll system. Some departments (e.g., Police) record more detailed information about overtime use than that recorded in the City's HR system.	Development of more detailed documentation of overtime use and causes in other departments.
17. Overtime budgets are developed at the departmental program level.	Overtime budgets are developed annually for each department.	
18. Overtime amounts are budgeted seasonally to enable accurate comparisons throughout the year of actual to projected overtime.	Departments are provided quarterly budget reports that present budget and actual expenditures.	
19. Reimbursable overtime is charged to a separate line item enabling easy comparison of paid overtime versus reimbursed overtime.	Reimbursable overtime is handled at the departmental level. The City has centralized billing of reimbursable overtime hours.	

Best Management Practice	Strengths	Opportunities for Improvement
BUDGETING AND REPORTING (continued)		
20. Billing and collection of reimbursable overtime is reconciled quarterly to reimbursements received.	Recording is accomplished by individual departments.	Citywide oversight of the reconciliation of all overtime billed and reimbursements received.
21. Monthly reports are prepared and reviewed regarding actual to budgeted overtime usage at the program level.	Departments can view budget and expenditure reports on line.	
22. Monthly reports highlight at least the top 5 overtime drivers per department and the top 10 employees earning overtime.	Bi-weekly payroll reports generate the data.	Limitations on the cause of overtime in the system impact its use.
23. Quarterly reports of overtime expenditures are compared to budget, with justifications provided for significant deviation, are provided to the City Council for informational purposes.	As noted, departments review quarterly reports.	
24. Authorization is documented and kept current for all comp time approved for exempt employees. Authorization is reviewed no less than quarterly for continued need and compliance with conditions of approval.	Compensatory time is approved and tracked for exempt employees.	
PERSONNEL PRACTICES		
25. All positions are reviewed at least every 3 to 5 years for conformance with FLSA exempt/non-exempt classification for overtime eligibility.	All positions are reviewed on an ongoing basis for conformance with FLSA exempt / non-exempt classification for overtime.	
26. Flex time is utilized, where appropriate, to address staffing needs outside of normal work hours to limit the amount of overtime expended.	Where available and beneficial, flexible scheduling is utilized (e.g., inspectors, custodians, selected DPW personnel, clerical positions, Recreation, PD-Investigations, etc.).	Contractual agreements, in some circumstances, significantly limit a department's ability to flexibly schedule personnel.

Best Management Practice	Strengths	Opportunities for Improvement
PERSONNEL PRACTICES (continued)		
27. Authorization for exempt employees earning overtime (or compensatory time) is limited to those individuals that are either: <ul style="list-style-type: none"> Fully assuming the duties of a non-exempt position on a temporary basis; Performing special projects that require significant hours in excess of what would be reasonable for a short, defined period of time. 	This has never been an issue for the City. Exempt employees receive compensatory time for night meetings only, as outlined in the contract.	
28. Compensatory time off accrued must be utilized within a reasonable time period (e.g., one year). It may not remain "on the books" for unlimited time periods.	Compensatory time for management is capped and must be utilized within the same year it is accrued.	
29. City policies regarding the accrual of compensatory time retain the right of the City to pay out compensatory time at any point.		The City has not developed a policy that specifically addresses this issue.
30. All compensatory time balances are reviewed on an employee's promotion or transfer for a determination of whether the time will carry-forward or will be paid out.		The City has not developed a policy that requires the review of compensatory balances on an employee's transfer or promotion. The Human Resources Department is currently developing a policy to address this concern.
31. Compensatory time balances are reviewed annually for all employees.	Department managers periodically review compensatory time balances.	The City has not developed a policy addressing compensatory balance monitoring. This is performed at various intervals by managers in the Departments.
32. Time absent from work due to scheduled or unscheduled leave is not counted as hours worked for calculation of overtime payments due that week in accordance with FLSA provisions.		Per the contracts, time absent from work is counted as hours worked for calculation of overtime.

Based on the preceding comparison of current overtime and compensatory time usage and controls in Portsmouth to 'best management practices' principal issue areas for further analysis include:

1. The need for Citywide policies relating to the use and control of overtime and compensatory time.
2. The need for better information and reports about the amounts and causes of overtime in the City.
3. The need to place departmental overtime experience (especially those with 24 hour operations) in the context of minimum staffing needs and relief factors.
4. The need to use future collective bargaining processes to obtain more control over factors impacting the need for overtime (e.g., minimum hours, vacation scheduling, etc.).

These issues, and others, are explored in succeeding chapters of this report together with recommendations for improvement now (where policy development and management controls can have impacts) and in the future (through negotiations of collective bargaining agreements).

3. REVIEW OF CONTRACT ISSUES

This chapter provides a review of the collective bargaining agreements in place in the City of Portsmouth. The first section summarizes the terms and provisions that are generally applicable to all of the collective bargaining agreement and the associated impact on overtime and/or operations. The second section summarizes the major provisions of each contract that could impact overtime and/or compensatory time accrual or usage and summarizes the unique terms to that specific contract that are worth noting. The final section of this chapter discusses the contractual changes that should be considered in the future to provide greater control and consistency between contracts and that would provide greater control over overtime or compensatory time obligations

1. CHARACTERISTICS COMMON TO MOST OF THE COLLECTIVE BARGAINING AGREEMENTS.

Most of the collective bargaining agreements between the City of Portsmouth and its various employee groups contain similar provisions related to key areas of scheduling, overtime, and compensatory time. These can be summarized as follows:

- **Daily and weekly work schedules are clearly outlined** within the contracts and little flexibility is provided for alternative work schedules to be implemented to address changing operational needs.
- **All hours paid during a week, including time off such as vacation, personal leave, and sick leave, is counted as hours worked prior to the calculation of overtime obligations.** FLSA standards require overtime to be paid only after the appropriate threshold level is reached in actual hours worked. This threshold level varies for police, fire, and other employees but in each case hours not actually worked do not have to be counted towards hours worked.
- **Similarly, overtime obligations typically are incurred for any time worked in excess of the normal work day.** Again, this a lower threshold than that

imposed by the FLSA which does not calculate overtime obligations based upon the work day but only upon the applicable FLSA period.

- **Overtime obligations are typically also incurred for hours worked in excess of the normal workweek, even when the normal workweek is less than 40 hours.** For example, those employees on 35 hour and 37.5 hour work weeks are eligible for overtime after working 35 and 37.5 hours respectively, rather than after working 40 hours.

There are several issues associated with general contract provisions which, in the project team's experience, represent potential issues. These include:

- **In most, but not all, contracts reviewed, the amount of annual vacation and sick leave is high in comparison to the amount generally seen granted in public agencies throughout the nation.** Many of the City of Portsmouth contracts provide for up to 30 days vacation and 15 days sick leave annually. In the project teams experience, these maximums are generally closer to the 20 and 10 day levels. This leave time can have a direct impact on the amount of overtime and compensatory time expended especially in operations where absent employees must be replaced on overtime to provide sufficient staffing levels.
- **The call-in pay requirements in the City of Portsmouth, while varying between contracts somewhat, typically are providing 3 to 4 hours minimum pay at overtime rates without consideration to the actual time that the employee is required to work.** While minimum call in pay amounts are designed to compensate for the inconvenience of having off-duty time interrupted, these levels again appear on the higher end of the range in the Project Team's experience.
- **Additionally opportunities appear to exist to increase the utilization of "Acting" pay for employees who temporarily fill a vacant position.** A common practice is to provide employees additional pay (either an additional 5 to 10 percent or the minimum of the new classification range) to assume the duties of a vacancy in a higher position in their unit. This provides an opportunity to utilize overtime, if needed, to fill the lower compensated position (rather than the higher one).
- **Compensatory time is generally provided only when requested by the employee and approved by the Department Head and City Manager.** There is no ability for management to require the utilization of compensatory time in lieu of overtime.
- **Compensatory time is included in several contracts governing employee groups in which it typically is not found.** It is not a common practice, for

example, to utilize compensatory time for employees who work in 24/7 operations or who are in positions that typically require that the position be filled if it is vacant.

All of these areas are ones that with modification could assist in providing greater control of the amount of compensatory and overtime utilized. The following section reviews each of the specific collective bargaining agreements.

2. MAJOR OPERATIONAL CONTROLS RELATED TO OVERTIME AND COMPENSATORY TIME USE ARE CONTROLLED BY THE COLLECTIVE BARGAINING AGREEMENTS.

Each of the City's collective bargaining agreements were reviewed and the major terms and conditions contained within them that impact overtime and/or compensatory time were summarized. Each of the following sections addresses a specific contract, outlines the major terms contained within the particular collective bargaining agreement, and provide specific comments regarding the unique provisions of these contracts on the City's ability to manage and control overtime. Recommendations for the City to utilize in future contract negotiations follow the discussion of these contract characteristics and issues.

(1) Portsmouth Supervisory Management Alliance

The City of Portsmouth and the Portsmouth Supervisory Management Alliance have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This contract covers principally supervisory personnel in the Public Works and Recreation Departments. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
IV C	Overtime	Time and one-half paid for all hours in excess of normal workweek.	No allowance for un-worked hours during workweek to offset extra hours.
IV D	Call in – hours paid	Minimum pay for 4 hours at time and one half. Employee required to be on call paid \$100 per week.	High level of guaranteed pay without consideration of time actually worked. No differential in minimum pay for those on call and those called in who are not on call.
V	Annual Leave	Maximum accrual of 20 days per year.	
VI A.1.	Hours of Work	40 hour workweek. Monday through Friday for Public Works. New positions and vacant positions not subject to Monday through Friday limitation.	Flexibility introduced into workweek scheduling in this article.
VI A.2.	Hours of Work	Any 5 consecutive days for Recreation. Time and one half required after forty (40) hours.	Provides scheduling flexibility for department to meet operational needs with straight time compensation.
VI A.3.	Hours Worked	Requires all holidays and leave time to be counted towards hours worked for calculation of overtime or compensatory time.	No allowance for un-worked hours to offset overtime obligation.
VI D.	Comp Time	Allows compensatory time to be granted by Department Head, with approval of the City Manager, if the employee agrees to accept it.	Limits use of compensatory time by requiring employee approval.
VII	Sick Leave	14 days earned per year.	
XV	Standby Monitoring	For employees on standby to monitor Water/Wastewater Plant via laptop, compensated with \$2 per hour while on standby and 2 hour minimum call in pay (at overtime rate).	Provides a lower minimum hours paid requirement for those on standby than contained in Section IV-D.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Those employees called in outside of their normal work hours are paid four (4) hours of pay without respect to the actual time required to be on site. The only exception is the provision for those employees on standby pay for monitoring the Water and Wastewater Plants. In this case, the employee is provided a two hour

minimum. This same approach would be appropriate for other employees in other contracts who are receiving standby pay.

- Work scheduling for employees under this contract has some flexibility under this contract. The Recreation employees are limited only to a five consecutive day limitation which greatly increases the ability of supervisors to schedule personnel resources to meet operational needs. However, Public Works employees are generally restricted to a Monday through Friday schedule, except for vacant, new or supervisory positions. This contract provides some flexibility in scheduling that enables the City to address operational work needs on a straight time basis. For example, supervisors on the Highway rotate schedules on a weekly basis so that one is scheduled every Saturday. Two supervisors work a Monday through Friday schedule and one supervisor works Tuesday through Saturday. They rotate every week.

(2) Portsmouth City Employees, Local #1386

The City of Portsmouth and the Portsmouth City Employees, Local #1386, have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
10	Sick Leave	Annual accrual of 13 days per year.	
13	Vacation	Maximum annual accrual of 20 days per year.	
27	Call Out	Provides minimum call out pay of 4 hours. Provides 4 hours of pay at time and one-half, in addition to call out pay, if employee is required to be on standby for a week period.	High level of guaranteed pay without consideration of time actually worked. No differential in minimum pay for those on call and those called in who are not on call.
29A	Comp Time	Allows compensatory time to be granted by Department Head, with approval of the City Manager, if the employee agrees to accept it.	Limits use of compensatory time by requiring employee approval.

Article Number	Subject Area	Major Provisions	Impact
29	Hours of Work	Daily and weekly scheduled may be changed by mutual consent. Normal work schedule provides for 5 consecutive 8 hour days. New positions or vacancies in the Recycling Area may have different schedules established that vary from the standard.	Introduces flexibility into the scheduling of employees to meet operational needs for vacant or new positions. Existing schedules limited to change only by mutual consent.
29.5	Overtime Waivers	With agreement of both supervisor and employee hours worked in excess of daily scheduled hours may be granted an overtime waiver with time off granted in the same week.	Provides flexibility to manage operations based upon work needs within a particular week.
29.6	Holiday	Counts all holiday and other approved leave time as hours worked.	No allowance for un-worked hours to offset overtime obligation.
29.7	Daily or Weekly Overtime	Requires time and one half for all hours worked in excess of regular work day or regular work week.	Limits flexibility to adjust work schedule to meet operational needs. However, some flexibility provided in Section 29.5.
29.9A & B	Work Hours	Provides for a straight 8 daily work schedule with the work week consisting of Monday through Friday (40 hours).	No flexibility to adjust workweek schedules based upon operational need.
29.9 D	Weekend Work	Requires time and one half for all hours worked on Saturday and Sunday.	No flexibility to adjust workweek schedules based upon operational need.
29.10	Custodial Hours	40 hour work week consisting of 8 consecutive hours. Daily and weekly schedules set by management.	Enables weekly schedule to be set to meet operational needs of the City.
29.11	PW Office Personnel Work Hours	37.5 hour work week consisting of 7.5 hour work days.	
29.12	Water Treatment	Straight 8 schedule from 7:30 a.m. to 3:30 p.m. All work on Saturday or Sunday is at time and one half.	Defined schedules provide little flexibility to develop work schedules that vary based upon operational or personnel needs.
29.13	Wastewater Plant	Straight 8 schedule from 7:30 a.m. to 3:30 p.m. All work on Saturday or Sunday is at time and one half.	No flexibility to adjust schedules based upon operational need.

Article Number	Subject Area	Major Provisions	Impact
29.14	Municipal Garage	Employees work an average of forty hours per week over a month period. Allows utilization of a 4-on/4-off schedule of 10 hour days. Overtime required after 40 hours in a week. Parking Garage mechanic works 40 hours consisting of 5 eight hour days Monday through Friday.	Provides some flexibility to address operational needs by paying overtime after 40 hours in a week. Also enables utilization of alternative work schedule for some employees.
29.15	City Hall/Fire Dept.	37.5 hours per week consisting of five consecutive seven and one-half hour work days Monday through Friday. All work in excess of 7.5 hours in a day or 37.5 hours in a week is paid at overtime rate.	No ability to utilize flexible work schedules to meet operational needs without incurring overtime obligations.
29.16	Library	37.5 hour workweek consisting of 7.5 hour work days. All work in excess of 7.5 hours in a day or 37.5 hours in a week is paid at overtime rate. Scheduling of employees, other than custodians, cannot occur on Sundays, before 8:00 a.m. on any day, after 5:30 on Friday and after 5:00 on Saturday.	No ability to utilize flexible work schedules to meet operational needs. Library operating hours limited based upon contractual obligations related to scheduling employees.
29.17	Recreation	40 hours per week.	No additional obligations imposed regarding work week schedules.
39	Water and Wastewater Standby Pay	Employee receives 3 hour minimum call in pay if receiving the \$2.25/hour standby pay. If call in is due to a fire, minimum pay is 4 hours.	Provides differential minimum call in compensation if employee is on standby.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Overtime is generally required any time additional work is performed outside of the normal work day or workweek. Some flexibility is provided, through the use of an overtime waiver, with agreement of both the supervisor and the employee, to grant time off in the same week to avoid overtime obligation. Employees in the Municipal Garage are eligible for overtime after forty (40) hours in a week providing some flexibility to control overtime expenditures.

- Scheduling restrictions applicable to library workers would appear to limit operating hours of the facilities unless overtime were utilized.
- Those employees called in outside of their normal work hours are paid four (4) hours of pay without consideration of the actual time required to be on site. Those employees on standby for a week period receive four hours of overtime pay in addition to any call out pay. No allowance or credit is granted for call out hours against the standby pay received.
- Work schedules for custodians are limited only to a 40 hour work week consisting of 8 consecutive hours. This provides flexibility for the supervisor to set daily and weekly schedules to best meet operational needs.
- Standby pay for Water and Wastewater employee is \$2.25/hour on standby. In addition, the employee is eligible for three hours minimum call in pay rather than the otherwise required four (4) hour minimum for all other employees of the bargaining unit.

(3) Portsmouth Professional Management Association

The City of Portsmouth and the Portsmouth Professional Management Association have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers the professional staff within the City of Portsmouth. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
3.B.	Vacation	Maximum Accrual of 20 days.	
3.C.1	Additional Vacation Time for Meetings	Provides ½ day to employees (as compensation for the overtime) who are required to attend meetings outside of their normal work day. Maximum accrual is 10 days annually with provisions to provide an additional day after 25 meetings; two additional days after 30 meetings, and 3 additional days after 35 meetings.	This is an unusual provision for individuals in these types of positions. It treats employees who would otherwise be exempt from overtime in part like a non-exempt employee. No provisions are made regarding the length of the meetings attended to be eligible for the additional vacation time.
3.C.2	Work Week	For non-exempt 37.5 hour work week employees, overtime is paid at time and one half for all hours worked in excess of 37.5 in a week. These employees are not eligible for leave outlined in Section 3.C.1. Employees scheduled for 40 hours in a week are eligible for overtime at time and one half after 40 hours worked in a week.	Provides some flexibility by requiring overtime only after hours worked exceed normal work week. Additional opportunities exist to maximize provisions of FLSA provisions on hours worked before overtime required, especially for 37.5 hour work week employees.
3.D.	Personal Leave	Provides 2 personal days per year.	
3.E.	Call In	The Communications Supervisor who is called in by a supervisor to work outside normal work hours is provided a three hour minimum at time and one half.	Limits the ability to utilize flexible work schedules to address operational work needs.
3.E.1	Sick Leave	Earned at the rate of 15 days per year.	No allowance for un-worked hours during workweek to offset extra hours.

This contract contains, in the project teams experience, a unique approach to handling working hours for certain exempt employees with the provision of a ½ day of additional vacation granted for evening meetings. Generally, exempt employees are not eligible for additional pay, or time off, for completion of duties related to their position.

Since by the nature of their position, work hours are not tracked in the same manner for exempt employees, work obligations occurring outside of normal work hours are typically handled through informal adjustment of working hours. The provision appears not to take into account the length of time spent at these meetings in relation to the amount of time granted.

(4) Firefighters Association of Portsmouth, IAFF Local #1313

The City of Portsmouth and the Firefighters Association of Portsmouth, Local #1313, have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers the rank of Firefighter within the City of Portsmouth. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime.

Article Number	Subject Area	Major Provisions	Impact
IV.J.3.	Working out of Classification	Allows firefighters, who are on the Officer Eligibility List, to temporarily fill an officer assignment.	Enables utilization of on-duty personnel to fill temporary vacancies.
VI.A.	Hours of Duty	Provides for a schedule consisting of 14, ten hour day shifts, and 14, 14 hour night shifts, over an eight week cycle. Starting times are 7:30 a.m. and 5:30 p.m.	
VI.B.	Emergency Call out	Provides pay at the rate of time and one-half for all callouts with a guaranteed 4 hour minimum for all emergency callouts. Non-emergency callouts provide a minimum of four hours pay at time and one-half except when the time overlaps a normal tour of duty in which case the overtime rate is only applied for time spent prior to regular duty commencing.	High level of guaranteed pay without consideration of time actually worked. Does not exclude from overtime requirements hours which overlap regular shifts in emergency situations.
VII.A	Earned Time	Maximum accrual of 29 days annually, after 25 years of service.	No allowance for un-worked hours during workweek to offset extra hours.

Article Number	Subject Area	Major Provisions	Impact
VII.A	Disability Bank	Earn 7 days per year.	No allowance for un-worked hours during the workweek to offset extra hours.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Specific provision is made to utilize firefighters to temporarily fill an officer assignment when there is a vacancy.
- Emergency call out provision provides a high number of guaranteed pay (4 hours). Call out procedures differentiate between emergency and non-emergency. On non-emergency call-outs overtime is only applicable for those hours that do not overlap with a regular tour of duty, this same off-set is not applicable for emergency call outs.

(5) Portsmouth Professional Fire Officers Association

The City of Portsmouth and the Portsmouth Professional Fire Officers Association have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers the ranks of Lieutenant and Captain within the City of Portsmouth Fire Department. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
V.B.	Overtime Rate	Hours in excess of work week (as defined in Section VII) compensated at time and one-half.	No allowance made for hours paid as if worked during the time period.

Article Number	Subject Area	Major Provisions	Impact
V.C.	Recall	Provides pay at the rate of time and one-half for all callouts with a guaranteed 4 hour minimum for all emergency callouts. Non-emergency callouts provide a minimum of four hours pay at time and one-half except when the time overlaps a normal tour of duty in which case the overtime rate is only applied for time spent prior to regular duty commencing.	High level of guaranteed pay without consideration of time actually worked. Does not exclude from overtime requirements hours which overlap regular shifts in emergency situations.
VII	Hours of Work	Provides for a schedule consisting of 14, ten hour day shifts, and 14, 14 hour night shifts, over an eight week cycle. Starting times are 7:30 a.m. and 5:30 p.m.	
VIII	Earned Time	Maximum annual accrual of 29 days after 25 years of service.	No allowance for un-worked hours during workweek to offset extra hours.
VIII	Disability Bank	Provides 7 days per year.	No allowance for un-worked hours during the workweek to offset extra hours.
IV	Personal Days	Receive 2 days per year.	No allowance for un-worked hours during the workweek to offset extra hours.

The emergency call out provision provides a high number of guaranteed pay (4 hours). Call out procedures differentiate between emergency and non-emergency. On non-emergency call-outs overtime is only applicable for those hours that do not overlap with a regular tour of duty, this same off-set is not applicable for emergency call outs.

(6) International Brotherhood of Police Officers

The City of Portsmouth and the International Brotherhood of Police Officers, Local #402, have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2006. This collective bargaining agreement covers the Police Officer rank of the Portsmouth Police Department. The following table outlines

the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
20	Hours of Work	Five eight (8) hour days following by 48 hours off. Any work in excess of 8 hours in a day will be considered overtime.	Limits the use of alternative work schedules, based upon operational need, without modification of the collective bargaining agreement.
21	Overtime	Requires time and one half compensation for all hours worked in excess of regular 8 hour shift or normal 40 hour work week. Overtime begins after 15 minutes worked, either before or after normal shift, and requires 1 hour minimum pay.	No allowance for un-worked hours during workweek to offset extra hours.
21.A	Comp Time	Allows the earning and utilization of compensatory time as approved by the Chief of Police. The Department may not require comp time but may grant it at the request of the Officer.	Authority vested with Chief to determine whether to utilize compensatory time if requested by the employee.
23	Outside Work Details	Outside work details provide a flat rate at Step 5 OT rate on a Patrolman scale with a guaranteed minimum of four (4) hours.	Management has retained authority to transfer personnel from outside work details to meet the staffing needs of the Department.
24	Call Back Pay	Requires minimum three (3) hours pay at overtime rate for all hours worked during off duty time. Officers called in or held-over to work assignments contiguous with their normal work shift are not eligible for 3-hour minimum.	Relatively high level of guaranteed pay without consideration of time actually worked.
29	Personal Days	4 days off provided annually.	
30	Vacation	Maximum accrual of 30 days after 20 years. Usage limited to specified amounts during summer and winter periods.	Comparatively high level of vacation time granted. This amount of increases the need for additional personnel to meet minimum staffing requirements.
32	Sick Leave	15 days per year.	No allowance for un-worked hours during workweek to offset extra hours.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Guaranteed call back minimum hours of three in all situations without consideration of actual hours worked or the nature of the call-back.
- Relatively high level of leave time granted between vacation, personal, and sick that will require either a certain amount of overtime or additional personnel to maintain minimum staffing levels.
- Provides for the utilization of compensatory time when approved by the Chief of Police. If the use of compensatory time would incur overtime expense, the use of that compensatory time is not approved.

(7) Portsmouth Police Ranking Officers Association

The City of Portsmouth and the Portsmouth Police Ranking Officers Association have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2006. This collective bargaining agreement covers the ranks of Sergeant, Lieutenant, and Captain in the Portsmouth Police Department. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
13	Temporary Service Out of Rank	Provides the ability to fill a position temporarily vacant for a minimum of five (5) consecutive days with an individual of a lower rank. Compensation provides at the rate of the person who permanently hold the position.	Provides some flexibility to Managers to temporarily reassign personnel to meet staffing needs. While additional compensation is required, it may allow the avoidance of additional overtime.
15	Hours of Duty	The current work week consists of four (4) consecutive ten (10) hour days followed by 72 hours off. Any duty in excess of the ten-hour work period is considered overtime.	One schedule limits the use of alternative work schedules, based upon operational need, without modification of the collective bargaining agreement.

Article Number	Subject Area	Major Provisions	Impact
16	Overtime	Requires time and one half compensation for all hours worked in excess of regular 10 hour shift or normal 40 hour work week. Overtime begins after 15 minutes worked, either before or after normal shift, and requires 1 hour minimum pay.	No allowance for un-worked hours during workweek to offset extra hours.
17	Special Assignments	Officers called to work special assignments during off-duty hours paid a minimum of three (3) hours overtime. After three hours paid for actual hours worked (in 15 minute increments).	Relatively high level of guaranteed pay without consideration of time actually worked.
20	Personal Days	4 days per year.	
21	Vacations	Maximum annual accrual of 30 days after 20 years.	Comparatively high level of vacation time granted. This amount of increases the need for additional personnel, or overtime, to meet minimum staffing requirements.
22	Sick Leave	15 days per year.	No allowance for un-worked hours during workweek to offset extra hours.

It should be noted that the Police Department has a policy that compensatory time off will not be granted if it requires overtime on the part of another individual to cover (except for dispatchers).

The following points summarize the major unique issues that should be noted from these contractual terms:

- Guaranteed special assignment pay of a three hour minimum without consideration of actual hours worked.
- Relatively high level of leave time granted between vacation, personal, and sick that will require either a certain amount of overtime or additional personnel to maintain minimum staffing levels.
- Provides flexibility to the department to fill temporary vacancies with an individual of a lower classification through the payment of additional compensation rather than overtime.

(8) Portsmouth Police Civilian Employees Association

The City of Portsmouth and Portsmouth Police Civilian Employees Association have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers generally the civilian employees of the Police Department excluding Police Chief Secretary, supervisors and confidential employees. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
11.B.	Overtime	Time and one-half required after eight (8) hours in a day or after forty (40) hours in a week. A minimum of one (1) hour overtime pay required for any extra time worked in excess of 15 minutes. Actual hours paid for time over one (1) hour.	No allowance for un-worked hours during workweek to offset extra hours.
12	Call-In	Employees called in to work outside their regularly scheduled hours paid a minimum of three (3) hours at time and one half.	Relatively high level of guaranteed pay without consideration of time actually worked.
16	Personal Days	4 days provided annually.	
25	Vacation	Maximum annual accrual of 30 days after 20 years.	Comparatively high level of vacation time granted. This amount of increases the need for additional dispatch personnel, or overtime, to meet minimum staffing requirements for those positions required to be filled.
26	Sick Leave	15 days per year.	No allowance for un-worked hours during workweek to offset extra hours.
42	Hours of Work	Dispatchers work four (4) eight (8) hour days followed by forty-eight (48) hours off.	

Article Number	Subject Area	Major Provisions	Impact
43	Comp Time	Earned at the same rate as overtime. The granting of compensatory time must be requested by the employee and is at the discretion of the Department and subject to the SOP limits imposed by the Chief of Police.	Limits ability of the Department to utilize compensatory time, without employees approval, to address short term work needs.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Guaranteed call-back pay of a three hour minimum without consideration of actual hours worked.
- Relatively high level of leave time granted between vacation, personal, and sick that will require either a certain amount of overtime or additional personnel to maintain minimum staffing levels for those position requiring a replacement.
- Provides for the utilization of comp-time when approved by the Chief of Police. If the use of compensatory time would incur overtime expense, the use of that compensatory time is generally not approved.

(9) Portsmouth Municipal Employees, Local #1386

The City of Portsmouth School Board and the Portsmouth Municipal Employees, Local #1386, have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers the position of School Custodian. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
14	Vacation	Maximum annual accrual of 30 days after 25 years.	Comparatively high level of vacation time granted. This amount of increases the need for additional personnel, or overtime, to meet minimum staffing requirements.
34	Sick Leave	15 days per year.	No allowance for un-worked hours during workweek to offset extra hours.
38	Sick Leave/Overtime	Paid sick leave counted towards hours worked when computing overtime.	No allowance for un-worked hours during workweek to offset extra hours.
43	Personal Days	3 per year.	
47	Unusual or Imperative Leave.	1 day per year with pay if employee has no vacation, sick or personal days remaining.	
54	Hours of Work	Work week consists of five consecutive days, Monday through Saturday. Normal work day is 8 consecutive hours in a 24 hour period.	This language provides reasonable flexibility to Management to set work schedules based upon their operational needs by including six days per week and any hours of the day. Limitations imposed (no Sunday schedule and days and hours must be consecutive) are reasonable.
55	Work Schedule Change	Work schedules may be changed with two (2) week notice given in advance to the affected employees stating the duration of the change. Notice requirement not required in emergency situation. Schedule change without required notice requires agreement of the parties.	Provides flexibility to Management to adjust work schedules to meet operational needs with reasonable notice to the employee.

Article Number	Subject Area	Major Provisions	Impact
56	Comp Time	Compensatory time may be granted in lieu of overtime by mutual agreement. All comp time granted must be used within the same pay period.	This language may at times limit the use of compensatory time due to the requirement that it be utilized within the same period therefore, making it difficult or impossible as an alternative. However, this policy also prevents the accruing of liability for comp time balances.
62	Overtime	Time and one half for all hours worked over eight (8) in a day and forty in a week.	
65	Overtime/Avoid Payment of	Provides that the employee's normal work day or normal work week shall not be interrupted to avoid payment of overtime.	While limiting, to some extent, the ability of Supervisors to schedule employees to minimize overtime, this restriction is not uncommon or unreasonable to provide a reasonable work week for employees. This is especially true inconsideration of the ability of Managers to utilize Sec. 55 to adjust work hours as needed.
68	Call-In	Employees called in to work outside regular scheduled working hours are paid a minimum of four (4) hours at the time and one half rate.	High level of guaranteed pay without consideration of time actually worked. No differential in minimum pay for those on call and those called in who are not on call.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Flexibility is provided in setting work schedules with the only limitations being that the normal work week will be scheduled from Monday through Saturday and that the daily work schedule will consist of a consecutive eight (8) hour period. This enables supervisors to set schedules that best meet the operating needs.

- Managers are also provided flexibility in changing normal working schedules with advance two week notice to the employee.
- Guaranteed call-back pay of a four hour minimum without consideration of actual hours worked.
- Relatively high level of leave time granted between vacation, personal, and sick that will require either a certain amount of overtime or additional personnel to maintain minimum staffing levels for those position requiring a replacement.
- Provides for the utilization of comp-time in lieu of overtime but only when taken within the same pay period. While this greatly limits the liability of employer, this restriction may be tighter than desired by limiting the ability of using comp to serve as an alternative to overtime for this position. It may also limit the attractiveness of this option to employees.

(10) Custodial Supervisors Union

The City of Portsmouth School Board and the Custodial Supervisors Union have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers the custodial supervisors. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
9	Vacation	Maximum annual accrual of 30 days after 25 years.	Comparatively high level of vacation time granted. This amount of increases the need for additional personnel, or overtime, to meet minimum staffing requirements.
29	Sick Leave	15 days per year.	No allowance for un-worked hours during workweek to offset extra hours.
32	Sick Leave/Overtime	Paid sick leave counted as hours worked when computing overtime.	No allowance for un-worked hours during workweek to offset extra hours.
36	Personal Days	3 per year. Accrual increased to 4 per year after five or more years of service.	

Article Number	Subject Area	Major Provisions	Impact
40	Normal Work Week	Five consecutive days, Monday through Friday. Normal work day consists of any eight (8) consecutive hours. A work week of four ten hour days may be implemented during summer school vacation upon mutual agreement of principal and employee.	While limited to a Monday through Friday schedule, some flexibility granted to schedule hours during the day to best meet operational needs. Provides alternative work schedules during specified period upon mutual agreement.
41	Work Schedule Change	Work schedules may be changed with a two week advance notice given to the employee stating the duration of the change. Notice provisions do not apply in emergency situations. Changes without required notice shall be by agreement of the parties.	Provides flexibility to Management to adjust work schedules to meet operational needs with reasonable notice to the employee.
42	Avoid Payment of Overtime	Employee's normal work day or normal work week shall not be interrupted to avoid payment of overtime.	While limiting, to some extent, the ability of Supervisors to schedule employees to minimize overtime, this restriction is not uncommon or unreasonable to provide a reasonable work week for employees. This is especially true in consideration of the ability of Managers to utilize Sec. 41 to adjust work hours as needed.
47	Overtime	Time and one-half pay for all hours over eight in any one day and forty in any one week.	No allowance for un-worked hours during workweek to offset extra hours.
48	Call In	Minimum of four (4) hour paid at time and one-half for any employee called in outside normal work hours.	High level of guaranteed pay without consideration of time actually worked. No differential in minimum pay for those on call and those called in who are not on call.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Flexibility is providing in setting daily work schedules with the only limitations being that it consist of eight consecutive hours.
- Managers are also provided flexibility in changing normal working schedules with advance two week notice to the employee.
- Guaranteed call-back pay of a four hour minimum without consideration of actual hours worked.
- Relatively high level of leave time granted between vacation, personal, and sick that will require either a certain amount of overtime or additional personnel to maintain minimum staffing levels for those position requiring a replacement.
- Provides for the utilization of compensatory time in lieu of overtime but only when taken within the same pay period. While this greatly limits the liability of employer, this restriction may be tighter than desired by limiting the ability of using comp to serve as an alternative to overtime for this position. It may also limit the attractiveness of this option to employees.

(11) Portsmouth Municipal Employees, Local #1386

The City of Portsmouth School Board and the Portsmouth Municipal Employees, Local #1386, have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers the non-supervisory cafeteria personnel. The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
2	Hours of Work	Normal work week of five (5) consecutive days, Monday through Friday. Normal work day between 6:30 a.m. and 2:00 p.m.	This schedule, mirroring days school is in session, is appropriate.
3	Schedule Changes	Individual employee work schedules may be changed for one hour, provided notice, stating the duration of the change, is given one (1) week in advance to the employee.	Provides flexibility to Management to adjust work schedules to meet operational needs with reasonable notice to the employee.

Article Number	Subject Area	Major Provisions	Impact
6	Overtime Rate	Time and one-half for all hours over eight (8) in a day and thirty-five (35) in any one week.	No allowance for un-worked hours during workweek to offset extra hours. Note the requirement for overtime after 35 hours prevents the recognition of 5 hours per week that otherwise could be worked prior to incurring an overtime obligation under the FLSA.
8	Overtime/Call In	Employees called in to work outside their regularly scheduled working hours shall be paid at time and one half for the time worked.	Good language regarding payment for hours actually worked.
16	Personal Day	2 personal days per year to conduct business that cannot be transacted any other time.	
17	Sick Leave	10 days per year.	No allowance for un-worked hours during workweek to offset extra hours.
18	Sick Leave/Overtime	All paid sick leave counted as hours worked when computing overtime.	No allowance for un-worked hours during workweek to offset extra hours.
52	PLUS Rate	Employees assigned to work in a higher classification for three or more consecutive days are compensated at the same step in the higher classification as they were on before temporary assignment. When this rate is applicable, it will be paid for each hour worked retroactive to the first day. Employees may be reassigned, for a period not exceeding 30 calendar days, to the work of any position of the same or lower grade without a change in pay.	Provides some flexibility to Managers to temporarily reassign personnel to meet staffing needs. While additional compensation is required, it may allow the avoidance of additional overtime.

The following points summarize the major unique issues that should be noted from these contractual terms:

- Flexibility is providing in setting daily work schedules, with adjustments of one hour, with advance one week notice to employee.
- Language is provided allowing the reallocation of staff to other positions to meet operational staffing needs. Utilization of this language might enable adjusts in staffing to offset the need of overtime in some cases.

(12) Association of Portsmouth School Administrators

The City of Portsmouth School Board and the Portsmouth School Administrators have entered into a collective bargaining agreement covering the period of July 1, 2003 through June 30, 2008. This collective bargaining agreement covers the positions of building principals, assistant principals, and directors. For this contract, it is important to note that the association members receive all financial and leave benefits, as well as working conditions, as negotiated between the School Board and the Association of Portsmouth Teachers, except as otherwise noted in this agreement.

The following table outlines the major provisions of this agreement that relate to or impact the use of overtime or compensatory time.

Article Number	Subject Area	Major Provisions	Impact
V	Sick Leave	15 days annually during first five years of employment. 20 days annually after five years.	
VI	Personal Leave	2 day per year.	

3. THERE ARE SEVERAL CONTRACTUAL PROVISIONS THAT SHOULD BE MODIFIED FOR CONSISTENCY AMONG BARGAINING UNITS TO INCREASE THE ABILITY OF THE CITY TO MANAGE OPERATIONS THAT WOULD REDUCE THE NEED FOR OVERTIME AND COMPENSATORY TIME.

There are several potential modifications to contractual provisions in future negotiations that would position the City to better manage overtime and compensatory time utilization. These revisions are summarized in the following subsections.

(1) Temporary Work Schedules

As noted earlier in this chapter, the ability in most of the contracts for management to utilize alternative work schedules is limited due to contractual language. This prevents short-term revisions for individual employees (to assist in handling duties for individuals absent from work) and also for groups of employees where operational need may dictate the benefit of an alternative work schedule (such as a project needing to be completed on Saturday or earlier/later than the traditional starting and ending times). The City (and, where appropriate, the Fire and Police Commissions) should seek to negotiate language that enables temporary changes in working conditions with an appropriate notice to the union/association outlining a legitimate operational need and outlining the duration of the schedule change. Schedule changes should only occur after advance notice with all affected groups that is at least two weeks, absent emergency conditions. Any schedules implemented should generally maintain consecutive workdays and consecutive hours in each work day.

The type of schedule change recommended here is only of a temporary nature and is not designed to address the desire of the City to make permanent changes in work schedules. However, the City could also through negotiation attempt to gain management control over longer term or permanent schedule changes.

Recommendation: The City should seek language to be included in each future collective bargaining agreement that enables it to change scheduled work hours, on a temporary basis (such as 30 to 60 days), to meet operational needs of departments. Appropriate notice, typically two weeks, should be provided to all employees prior to the implementation of the revised work schedule.

Explore any future opportunity to obtain management control over permanent work schedule changes as the collective bargaining situations permit.

(2) Changes Should Be Made In the Calculation of Hours Worked for the Computation of Overtime.

As noted in the first section of this chapter, virtually all of the collective bargaining agreements utilize a similar methodology in calculating overtime obligations. Any hours in excess of the normal work day or work week are subject to payment at the overtime rate. Additionally, all hours paid as if worked during that work week, to include sick, vacation, personal, and holiday, are counted as if actually worked for the calculation of overtime. These standards are more restrictive than the requirements of the FLSA regarding overtime obligations. The City should seek to remove, at a minimum, from the calculation of hours worked those hours that are taken as sick time during the applicable work week. This approach would still count as hours worked any time taken as vacation or personal leave, as well as count any holidays that occur during the work week. Consideration should also be given to whether the overtime obligation should be maintained at the lower levels associated with the work weeks of employees who are routinely scheduled only for 35 or 37.5 hours per week. The option would be to pay those hours worked in excess of the normal workweek at straight time until 40 hours worked is reached each week.

Recommendation: The City should negotiate the exclusion of all leaves as hours worked for the computation of overtime. In addition, the City should consider whether it desires to continue the practice of compensating hours worked in excess of a normal workweek but less than 40 in a work week at overtime rates.

(3) Adjustments Should Be Made in the Minimum Levels Paid in Call in Situations and Should Strive for Consistency Among Units.

The provisions currently in place related to call in pay in terms of minimum hours compensated vary greatly between collective bargaining agreements. The City of Portsmouth should attempt to create greater standardization in these procedures.

Additionally, the minimum hours compensated should maintain a differentiation between those employees called in when on standby (where reporting to work is part of the stand by obligation) and those employees called in who are not on standby. Employees on standby are receiving additional pay to compensate for being available to report and this provides a justification for compensating at a lower minimum call in rate than those employees not receiving this compensation. After reviewing the various provisions contained in the multiple collective bargaining agreement entered into by the City of Portsmouth and its employee association, the most reasonable approach to standardize this practice would be to compensate at a two hour minimum for those employees receiving standby pay and a three hour minimum for those employees not receiving stand-by pay. In each case, any call in that would result in the employee's hours overlapping a normal work shift, should be compensated at the time and one half rate only for those hours outside the normal work hours.

Recommendation: In future contract negotiations, the City of Portsmouth should seek to standardize the approach taken to compensation for standby pay and the required minimum hours compensated for all employees called in to work outside their normal work hours. Employees receiving standby pay should be compensated for a minimum of two hours at the overtime rate on each call in (as long as they do not overlap) and employees not receiving standby pay should be compensated for a minimum of three hours at the overtime rate.

(4) Utilize “Acting” Pay as an Alternative to Overtime.

For those contracts covering positions that typically require minimum staffing levels or require position to be filled when vacant, the City should attempt to implement a contract provision that would provide “Acting” pay to qualified individuals in a lower level position to assume the duties of the vacancy. This has the potential to offset the utilization of overtime in two ways: (1) by not filling the lower position if it is not required

(either due to sufficient staffing levels or work load needs); and (2) by paying overtime to fill a lower paid position rather than a high compensated one. A common approach to handling acting pay is to provide compensation as either an additional percentage over the employee's normal pay rate (such as 5 to 10%) or at the minimum of the higher rated position's pay range, whichever is greater. Acting pay positions should be utilized for addressing daily staffing needs, and not be used to address longer-term staffing needs that may require promotions or temporary long-term assignments.

Recommendation: The City of Portsmouth should expand the utilization of "Acting" pay by including within collective bargaining agreements the ability to utilize qualified employees in higher rated positions to fill temporary vacancies.

(5) The Use of Compensatory Time Should Be Changed within the Collective Bargaining Agreements.

Since compensatory time off is essentially another form of overtime, it is most effective for those positions that do not require the absence of the employee to be filled. The City should eliminate the use of compensatory time for all positions which generally require a vacancy to be filled either to meet staffing minimums or to ensure vital public service are provided. While current compensatory time procedures allow it to be awarded only after approval of a Department head, in certain positions compensatory time is infrequently utilized since the granting of time off (at time and one half the extra hours worked) often results in the need to refill the position on overtime which tends to compound rather than mitigate the problem. However, the Police Department has policies and procedures in place that do not allow the use of compensatory time is the use of that compensatory time would incur overtime costs.

In positions that do not typically require an absence to be filled (such as office workers, professional staff, etc.), the City should negotiate the ability of a Department

head to require the use of compensatory time rather than overtime, subject to a reasonable annual limit. Additional overtime hours worked could be handled either through overtime or compensatory time as agreed upon between the parties.

Other limits and practices regarding compensatory time, such as length of time it can remain on the books, will be addressed in the following chapter.

Recommendation: The City should limit the use of compensatory time in the organization. However, the City should negotiate greater discretion for Department heads to utilize limited amounts of compensatory time in certain situations in which either overtime or hiring another employee would be required (such as after hour meetings).

4. CITY POLICIES RELATING TO THE USE AND CONTROL OF OVERTIME

The City of Portsmouth has few general policies and procedures in place which impact the use and control of overtime, and compensatory time. This chapter provides specific recommendations regarding the types and scope of policies and procedures that the City of Portsmouth, and in some cases in conjunction with the Fire and Police Commissions, to bring greater consistency and control over these two areas.

1. A CITY-WIDE OVERTIME POLICY SHOULD BE ADOPTED AND INCLUDED AS PART OF THE CITY'S PERSONNEL HANDBOOK(S).

The City should have an adopted policy regarding overtime (whether paid in cash or granted in compensatory time) that provides the general framework regarding the utilization of overtime that is applicable to all employees. This should address the larger issues surrounding when overtime is appropriate to be utilized, which positions are eligible and not eligible for overtime, and the role of supervisors in managing the usage of overtime. This policy should not attempt to address issues that are more appropriate for handling by individual SOPs or in individual collective bargaining agreements. It should, however, clearly document the City's philosophy regarding overtime and compensatory time usage and the City's expectations of supervisor and employees.

As part of this policy, the City should address the topics in the following subsections:

(1) General Approach to Utilizing Alternative Staffing Options to Minimize Overtime.

The City's general approach to the utilization of temporary, part-time and contractual employees to meet short-term staffing shortages (that otherwise would

require the utilization of either overtime) should be clearly articulated. It should also contain provisions for managing staffing levels to ensure that positions requiring minimum staffing levels are maintained as close as possible to full-staffing levels (where qualified individuals are available) and indicate when overtime will be utilized in lieu of filling positions. As a part of this section, procedures related to the circumstances and procedures, if any, under which the use of “overfills” are allowable to pre-hire individuals to fill positions for which a retirement is pending in order to avoid the time delay inevitable in the filling of vacancies.

Recommendation: The City, in conjunction with the Fire and Police Commissions and the School Board, should clearly spell out its choices in use of regular staff hours, alternative staffing approaches and overtime and compensatory time.

(2) Guidelines Regarding the Amount of Overtime Worked Per Employee.

Another critical component of the City’s policy is to document it’s commitment to maintaining employee health and safety through the limitation of excessive overtime hours. The City should outline general guidelines regarding the maximum hours per day and week that are appropriate for employees to work and the exceptions that will be considered. Typically, except in emergency situations, employees cannot operate safely or any sustained level of performance, when working in excess of 16 consecutive hours per day or after working more than three additional work shifts per week. Whatever standard the City desires to implement, the policy (or contractual requirements if necessary) should clearly outline the maximum hours that an employee may work in a defined period of time (both per day and per week).

Recommendation: The City, in conjunction with the Fire and Police Commissions and the School Board, should have a clearly described policy regarding the maximum use and accrual of overtime in a pay period.

(3) Management Controls Should Be Clearly Identified Within the Policy.

The policy should also outline the types of management controls that are required for the approval and monitoring of extra hours worked. Reasonable controls include pre-approval of all overtime by the immediate supervisor prior to an employee working it, supervisory approval noted on time sheets authorizing the additional hours as actually worked. These controls should also establish levels above which a secondary level of approval is warranted. For example, the requirement that all overtime by a single employee in excess of 24 hours in a work week should be approved by a level of authority above the immediate supervisor. In addition, overtime that would exceed an appropriate and pre-agreed upon level of the employee's annual salary should typically be review and authorized by someone outside of the Department – such as the Human Resources Director or City Manager. This authorization is important not only to ensure that overtime is being appropriately utilized but also to identify trends that are causing the overtime.

Recommendation: The City, in conjunction with the Fire and Police Commissions and the School Board, should adopt a comprehensive policy governing oversight of overtime.

2. A CITY-WIDE COMPENSATORY TIME POLICY SHOULD BE ADOPTED AND INCLUDED AS PART OF THE CITY'S PERSONNEL HANDBOOK(S).

In addition to the policy on overtime, the governing bodies should also adopt specific policies regarding the accrual and utilization of compensatory time. Since compensatory time is simply another form of overtime but unlike overtime represents an unfunded future liability, its use should be monitored at least as stringently as overtime. This policy should contain the same sections as outlined for the overtime policy (alternative staffing approaches to minimize compensatory time, individual employee

limits, and management controls) but should also have additional provisions included.

These specific provisions would include:

(1) Maximum Accrual Limits and Requirements Regarding Utilization.

The maximum accrual limits that can be banked in compensatory time should be clearly outlined. Since these banked amounts represent an accrued financial liability to the City, they should not be allowed to grow without limit. It is common that limits in the 80 to 120 hour range are applied by municipalities. Best practices would indicate that the limit should be closer to the lower end of the range.

The policy should also indicate how long these amounts may be banked prior to being used. Since compensatory time represents an overtime obligation due the employee, forfeiture of these hours cannot occur. However, the City could implement provisions that require the utilization of compensatory time prior to the utilization of other accrued leave (such as vacation or personal).

Recommendation: The City, in conjunction with the Fire and Police Commissions and the School Board, should adopt a comprehensive policy governing compensatory. This policy should include maximum accrual limits.

(2) Cashing Out Accrued Compensatory Time.

The policy should outline the circumstances and procedures under which compensatory time may be cashed out. The City should consider maintaining the right to payout an employee for accrued compensatory time at any time. This provides the greatest flexibility for the City on controlling its future accrued liability in this area. The longer comp time remains on the books, generally the higher rate at which it will be paid out (whether in time off or cash).

The policy should also indicate whether employees may carry-forward, and in what amounts, compensatory time when changing positions. The City may wish to establish, as part of the policy, that all accrued leave time on the books is paid out upon the acceptance of a new position within the City. This prevents another department (or a different position) from having operations impacted due to an employee's time away from work while taking compensatory time earned in a previous position.

Recommendation: The City, in conjunction with the Fire and Police Commissions and the School Board, should adopt a comprehensive policy governing compensatory. This policy needs to have a description of how compensatory time buy out occurs and how it is paid.

(3) Additional Limits Regarding Eligibility for Overtime.

In addition to the limits outlined in the overtime policy regarding extra hours worked, the City should further limit the granting of compensatory time (rather than overtime) for certain employee classifications. Positions that typically require back-filling to maintain staffing levels, are poor candidates for the use of compensatory time. This is due to the resulting overtime that results from filling the time away from work when an employee is using compensatory time. In these operations (frequently for Fire), all extra hours worked are paid in overtime rather than in compensatory time. The compensatory time policy should clearly delineate which position are eligible for utilizing compensatory time.

Recommendation: The City, in conjunction with the Fire and Police Commissions and the School Board, should adopt a comprehensive policy governing compensatory. The compensatory time policy needs to clearly describe who is covered by the policy and the circumstances in which it is warranted.

3. SUPERVISORY EXPECTATIONS REGARDING THE MONITORING AND CONTROL OF OVERTIME AND COMPENSATORY TIME SHOULD BE CLARIFIED AND TRAINING PROVIDED.

The principal individual responsible for the monitoring and control of overtime (and compensatory time) earning and usage should rest with an employee's immediate supervisor. All job descriptions of supervisory and managerial employees should clearly note, as part of the required duties, the duty of managing employee resources with attention paid to the impact on overtime and compensatory time usage. This should be a factor evaluated as part of annual performance evaluations.

In order to assist supervisors for this role, the City of Portsmouth should incorporate into any supervisory training sessions a description of the specific expectations of supervisors in fulfilling this role, training on applicable City policies and specific contractual requirements, and provide to them the necessary tools to perform their duty. These tools would include the additional flexibilities to be achieved through contract changes as well as the variety of reports outlined in this report.

Recommendation: Training should be provided to employees in supervisory and managerial positions regarding the expectations placed on them to manage overtime/compensatory time. Appropriate resources such as reports and contract changes should be provided to supervisors to assist them in this obligation.

5. MONITORING AND REPORTING OF OVERTIME AND COMPENSATORY TIME UTILIZATION

The Matrix Consulting Group identified opportunities for improvement with respect to the monitoring and reporting of overtime and compensatory time utilization. As noted in other sections of this report, departments receive quarterly expenditure reports which allows managers to monitoring year-to-date expenditures, as well as compare those expenditures to budgeted amounts. Overtime is a line item that is monitored as a part of this quarterly process. In addition to these formal quarterly reviews, department managers and supervisors have developed their processes to monitor and track overtime and compensatory time.

Through a comparison of the practices in the City of Portsmouth, departmental operations, and overtime and compensatory utilization in the City, the project team has identified key reports that the City should use to monitor and report on overtime and compensatory time.

The table, which follows, presents the recommended overtime and compensatory time reports.

Report	Purpose	Data	Comments
Overtime Cause Report	To track overtime hours by cause. This report will provide decision makers with data regarding the cause of overtime to better enable them to understand the organization's workload and staffing needs. This will also provide decision makers with historical and trend data that will allow them to make adjustments and changes to reduce potential causes of overtime.	For each department, key causes should be identified, such as: <ul style="list-style-type: none"> • Unscheduled leave time coverage (e.g., sick time, etc.) • Scheduled leave time coverage (e.g., vacation, etc.) • Training • Emergency coverage (e.g., fire incident, water main break, etc.) • Scheduled overtime (e.g., water / wastewater treatment plant coverage, refuse removal, etc.) • Seasonal programs (e.g., hydrant flushing, etc.) • Completion of regular job duties (e.g., overtime utilized to eliminate backlogs in normal job duties) • Minimum manning / staffing requirements 	This report should be generated on a monthly basis for department managers. Quarterly summary reports should be provided to the City Manager.
Overtime as a Percentage of Salary	To track overtime costs as percentage of salary to provide managers with benchmark data on overtime costs tied to salary costs.	This should be a simple calculation of overtime expenditures as a percentage of salary costs.	This report should be generated on a quarterly basis and provided to City Manager and department managers.
Overtime Hours per Pay Period by Employee	To monitor the distribution of overtime hours by employee. This report will allow managers to catch excessive overtime hours worked by employee, as well as monitor overtime shifts per pay period to ensure compliance with City policies.	This report should provide a list of employees that have exceeded one shift per week of overtime hours.	This report should be provided to department managers per pay period.
Year-to-Date Overtime Expenditures to Budget	To monitor actual overtime expenditures on an ongoing basis and to compare those expenditures to budgeted amounts.	This report should provide the actual dollar amount of overtime expenditures and budget, as well as the percentage over / under of budget.	This report should be provided to department managers on a monthly basis and to the City Manager on quarterly.

Report	Purpose	Data	Comments
Overtime Hours and Leave Time Usage per Work Week	To track the cost associated with the utilization of overtime in addition to leave time.	This report should provide a list of employees by department who used leave time hours and earned overtime during one workweek.	This report should be provided to department managers per pay period and a summary report should be provided to the City Manager on a quarterly basis.
Overtime Reduction Report	To provide managers with the data to monitor overtime and to implement changes to reduce overtime utilization.	This reports should present actual overtime utilization and trends to performance goals established by the City.	This report should be provided to department managers and the City Manager quarterly.
Compensatory Time	To track compensatory time for all employees in all departments to document the liability associated with compensatory time, as well as monitor compliance with union contracts and City policies.	Each department should be required to document and track compensatory time in a manner similar to the overtime, including: <ul style="list-style-type: none"> • Managerial / supervisory approval of compensatory time. • Documentation of cause of compensatory time (using same codes as overtime). • Entering and tracking of compensatory time in payroll system. • Date earned and date of expiration (e.g., must be used by) • Balance of compensatory time hours. 	This report should be provided to department managers for each pay period and a summary report should be provided to the City Manager on a quarterly basis.
Annual Overtime and Compensatory Report	To provide an annual summary of overtime and compensatory utilization for each department.	Summary of all key data collected and reported for departments, including: <ul style="list-style-type: none"> • Overtime cause • Overtime as a percentage of salary costs • Overtime hours / earnings by employee • Overtime expenditures to budget • Overtime time and leave usage summary • Compensatory time utilization 	This report should be provided to the City Manager, City Council, and the Police and Fire Commissions.

The City of Portsmouth should develop monthly, quarterly and annual reports to document and monitor overtime and compensatory time in detail. The reports outlined in the previous table will provide key decision makers with the data necessary to effectively manage operations. It should be noted that the City should periodically review the reports and resulting data to ensure that they capture and report useful and meaningful data. Ongoing revisions and refinements of reports and data are expected.

6. ANALYSIS OF OPERATIONAL ISSUES

Through interviews, data collection, and analysis, the Matrix Consulting Group identified factors that impact overtime and compensatory utilization. This section provides a review of the operational issues impacting overtime and compensatory utilization. It should be noted, however, that this assessment of operating, service delivery and staffing issues having a potential impact on overtime represents an initial step and that additional analysis may be required to be definitive.

1. THE AMOUNT OF OVERTIME REQUIRED TO FILL VACANCIES AND PAID TO FIRE PERSONNEL IS A FUNCTION OF THE NUMBER OF POSITIONS BUDGETED AND THE DEPARTMENT'S MINIMUM STAFFING REQUIREMENT.

The Fire Department, with City approval, operates its shifts of emergency personnel with a minimum staff of 13 Fire Officers and Firefighters on the day shift (7:30 AM to 5:30 PM) and 14 personnel (5:30 PM to 7:30AM) on the night shift. During weekdays two to three Chief Fire Officers are also on duty. During night and weekends one of the Chief Fire Officers is on call to support the on-duty forces. Whenever the number of personnel drops below the minimum staffing requirement, personnel are called back on overtime to fill the gap. Fire departments can either (1) hire and assign more personnel to each duty shift to meet minimum staff requirements or (2) hire off-duty personnel back on overtime to fill vacancies (or some combination of approaches). Portsmouth relies primarily on the second approach. It has budgeted 14 personnel for each shift – an extra person on the day shift that requires a minimum staff of 13 personnel and the exact number needed for the 14-person minimum on the night shift.

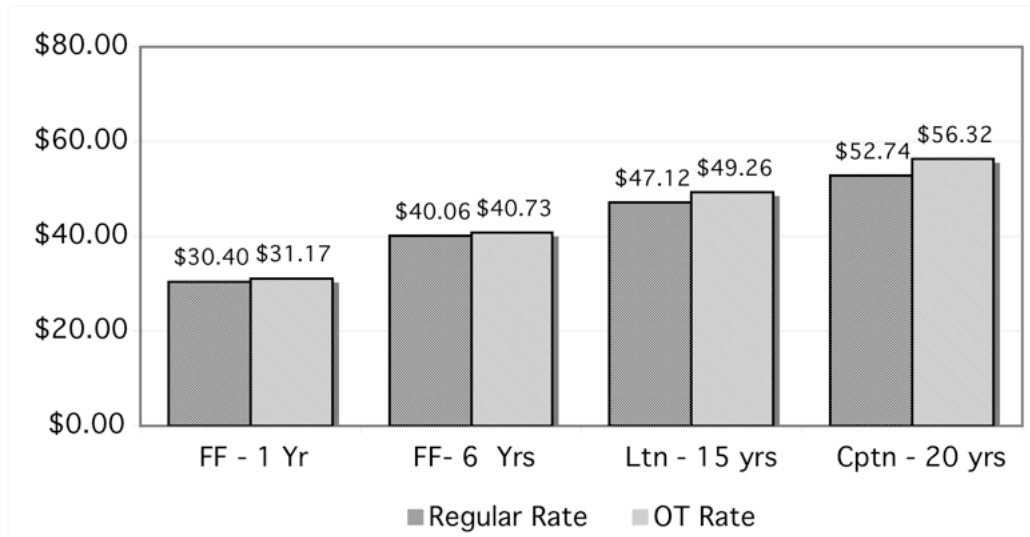
The number of personnel that the PFD needs to hire back on a particular shift is a function of the number of personnel off-duty because of lost time due to staff vacancies, leave (annual, sick, disabled, bereavement, military), injured-on-duty and training. During 2005, personnel in the Department worked, on average, 1,900 hours rather than the 2,184 hours they were scheduled to work because of approximately 284 lost time hours per Fire Officer and Firefighter. It takes the Department, on average, 1.15 Personnel to fill one on-duty position. Hence, the following options are possible:

- To fully staff a shift of 14 personnel, the Department needs to assign 16 personnel to the shift. Hiring 8 additional personnel would increase the number of Fire Officers and Firefighters in operations from current 56 to 64.
- To fully staff a shift of 14 personnel at night and 13 personnel on days, the Department could assign 15 personnel to the shift. This option would reduce overtime compared to current approaches to staffing shifts, but not as much in the first option. Hiring 4 additional personnel would increase the number of Fire Officers and Firefighters in operations from current 56 to 60.

Hiring additional personnel would not eliminate all overtime. While the daily staffing levels are fixed, lost time occurs at random intervals. In addition, increasing the minimum staffing from the current 14 to 16 per shift (adding eight personnel, 2 to each platoon) would result in overstaffing on the day shift that has a minimum staff requirement of 13 personnel.

Several factors play a role in decisions about hiring additional staff or using overtime to fill vacancies. One is the cost differential between the options, a second is the willingness of off-duty personnel to accept overtime assignments and a third is concern about the maximum number of hours it is reasonable and safe for an employee to work.

As part of the study the Matrix Consulting Group analyzed the hourly costs for straight time and overtime for Fire Officers and Firefighters in the Department. That comparison appears in the following chart:



Analysis of the data indicates that the costs for straight time and overtime are nearly the same. Overtime, on average is 2% to 3% more expensive for Firefighters and 5% to 6% more expensive for Fire Officers. However overtime provides the Department with great flexibility in covering vacancies and minimizes the extent to which more than the minimum a number of personnel are on duty during a shift.

A second issue with the use of overtime to meet minimum on-duty staff requirements is concern about over-working personnel. The Department addresses this issue by enabling personnel to refuse overtime opportunities. Overtime is offered to both Firefighters and Fire Officers on a rotating basis. Separate lists are maintained for Firefighters and Fire Officers. Personnel with the least amount of overtime are offered the overtime duty first. If that person refuses, the next person on the list is asked. This continues until the vacant position is filled. The system ensures that each person has

an equal opportunity for overtime and can accept or reject an offer without prejudice. Analysis of overtime duty indicates significant variation in the extent to which personnel accept or reject overtime. The table, below, displays information about the extent to which Fire Officers and Firefighters took overtime assignments in 2005.

Group	Total Hours	Hours per Week
Ranking Fire Officers		
High Ranking Officer (RO)	643	12
Top 5 RO Average	559	11
Fire RO Average	421	8.1
Lowest 5 RO Average	284	5.5
Firefighters		
High Firefighter (FF)		
Top 10 FF Average	633	12.2
Firefighter Average	535	10.3
Lowest 10 FF Average	304	5.8

The data indicate substantial variation in the acceptance of overtime by all personnel. Some personnel took a lot of overtime assignments, as many as one shift a week, while others accepted overtime at a lower rate. The top five personnel in each classification took, on average, an extra shift each week. This does not seem an unreasonably high level of overtime given the Firefighter work schedule.

A decision about hiring additional staff in order to reduce overtime in the Department must take into consideration the fact that Fire Officers and Firefighters are different classes of employees and cannot fill in for one another. If the Department hired an additional Firefighter on each shift to reduce overtime and had more than the minimum number of Firefighters on duty, the extra Firefighter could not fill in for an absent Fire Officer under current working conditions. Some Fire Departments have developed flexible work rules that enable Firefighters to step-up to an officer's position to fill vacancies when there is an a surplus of Firefighters on duty.

Recommendation: The City should consider increasing the number of authorized and budgeted Firefighters on each shift from 14, the current level, to 15. This will

require the budgeting of four additional personnel. While this will not eliminate all of the Department's overtime it would reduce it significantly. Wages and fringe benefits to hire an entry level Firefighter could range from \$54,000 to over \$60,000 depending on the health insurance package chosen by the employee. Using an average cost of \$57,000 per new hire, it would cost the City approximately \$228,000 to add four personnel at the Firefighter level, but would eliminate approximately the same amount of overtime.

Recommendation: The City should seek contract changes that would enable a Firefighter to step up to a Fire Officer's position under the following circumstances:

- The step-up Firefighter is one of the top four candidates on the promotion list.
 - The step-up Firefighter is on-duty on the shift that has the Fire Officer vacancy.
- 2. THE FIRE DEPARTMENT DOES NOT SET LIMITS ON THE NUMBER OF PERSONNEL WHO CAN TAKE ANNUAL LEAVE ON THE SAME DAY.**

The Fire Department has neither a policy that limits the number of personnel who can take annual leave on a given day nor a policy that requires personnel to schedule annual leave in advance. As a consequence of the current policy, a large number of Fire Officers and Fire Fighters can call out on the same day. Given the fact that the Department has no margin of extra personnel scheduled daily (1 person only on the day shift, no personnel on the night shift) nearly all leave results in an overtime situation. However, there are situations, when a large number of personnel take off on the same day. While this may not increase the total overtime needs of the Department it contributes to instability in the work groups assigned to particular apparatus. While personnel are largely interchangeable on the line, the extent to which teams of Firefighters work together consistently on the same piece of apparatus on a daily basis contributes to overall effectiveness in emergencies.

Recommendation: The City, Fire Department and Fire Commission should explore ways in which annual leave can be scheduled to alleviate large fluctuations in the number of personnel off on a shift. The Department should review the system of summer and winter vacation pick system and limits on the number of personnel who can request annual leave on a shift as a starting point for development of a policy.

3. PERSONNEL IN THE FIRE DEPARTMENT CAN EARN A SUBSTANTIAL AMOUNT OF OVERTIME PAY.

The Fire Department has a substantial amount of overtime, as discussed earlier in this report. That overtime is driven almost exclusively by the need to maintain mandatory minimum staffing levels in emergency operations. The Department has very little special detail work, only eight hours in 2005. Separate analysis was conducted of overtime hours and pay for Ranking Fire Officers (Lieutenants and Captains) and Firefighters. All of these personnel are assigned to emergency operations and work on the apparatus (Fire trucks and ambulances) in the City's three fire stations. The table, below, summarizes the amount of time various groups of Fire Officers and Firefighters worked overtime in 2005. The table displays information about those who received the highest amount of overtime pay as well averages for several groupings.

Fire Officers and Firefighter Overtime

Group	Total Hours	Hour per Week	Pay
Ranking Fire Officers			
High Ranking Officer (RO)	643	12	\$29,197
Top 5 RO Average	559	11	\$23,688
Fire RO Average	421	8.1	\$17,063
Lowest 5 RO Average	284	5.5	\$10,363
Firefighters			
High Firefighter (FF)	633	12.2	\$21,229
Top 10 FF Average	535	10.3	\$17,299
Firefighter Average	304	5.8	\$ 9,754
Lowest 10 FF Average	65	1.3	\$ 1,880

Several points can be made about overtime hours and pay in the Fire Department.

- Ranking officers receive more pay for similar hours of overtime work because they are paid at a higher rate than Firefighters.
- There is substantial variation in the number of hours various individual employees engaged in overtime work. This is true for the ranking officers and for Fire Fighters.
 - The five Ranking Officers with the most overtime worked nearly twice as many overtime hours as the five Ranking Officers with the lowest number of hours and received \$23,688 in pay compared to \$10,363 for the lowest five Officers.
 - The Ranking officers averaged 421 hours of in 2005 – about eight hours a week compared to an average of 304 hours per Firefighter – about six hours per week.
 - The 10 Firefighters with the most overtime worked nearly eight times as many overtime hours as the 10 Firefighters with the least overtime and received \$17,063 in pay compared to \$1,880 for the lowest 10 Firefighters.
- This large variation in the number of hours worked and pay occurs because although all personnel are offered an equal opportunity to work overtime they do not all accept overtime at the same rate.

Recommendation: The Department should continue to monitor the number of hours of overtime worked by individuals to ensure that staff are not being over worked.

4. OPPORTUNITIES EXIST FOR THE POLICE DEPARTMENT TO MORE PROACTIVELY MANAGE THE USE OF OVERTIME.

Police Department overtime has been averaging between 6% and 7% of its budget for the past several years. While most of this is a general fund obligation, the Department receives other funds from grants and District Court for overtime obligations. The, table, below presents information about the Department's overtime costs for FY 2004 and FY 2005.

Fiscal Year	OT Hours	Total Cost	Reimbursement	Department Cost
FY 2004	16,447	\$529,857	\$105,137	\$424,720
FY 2005	15,169	\$535,182	\$ 74,330	\$460,853

The information in the table is summarized below:

- Overtime hours dropped nearly 8% between FY 2004 and FY 2005.
- Overtime costs increased slightly between FY 2004 and FY 2005.
- Reimbursable Overtime dropped 29% between FY 2004 and FY 2005.
- The 15,169 overtime hours used in FY 2005 amounted to approximately eight full-time police positions.
- Each hour of overtime cost the Department \$35.28 in FY 2005.

The Police Department has installed computer software to track overtime use. The information, above, and the analysis that follows are based on data from that system. The PortPay software enables the Department to track the number of overtime hours and the associated labor costs as well as the reasons why the overtime occurred. The tracking is important because some of the overtime is charged to the City's Police budget while other overtime is charged to external accounts. PortPay provides more detailed information about overtime than can be extracted from Pentamation. Most of the additional information involves the reason why the overtime occurred.

The use of overtime in the Police Department is complicated. For example, during FY 2005 the Department used 42 different categories of overtime. The table, on the following page, provides detail about the Department's use of overtime in FY 2005. The table collapses the 42 types of overtime into several major categories. The actual total hours are slightly less than the total hours shown in the table because two detailed items have been dropped from the list – FLSA Adjustment and Daylight Saving Shift Change. Although both items are categorized as overtime they are obligatory accounting adjustments

Type	Hours	% of Hours	Cost
Leave	3,901	26%	\$128,914
Incident	3,578	24%	\$131,882
Training	2,691	18%	\$92,709
Court	1,545	10%	\$51,087
Meetings	693	5%	\$27,646
Event	744	5%	\$24,603
Open Beat	714	5%	\$25,101
Sub Total	13,866	93%	\$481,942
Grants/External	1,061	7%	\$37,325
TOTAL	14,927	100%	\$519,267

Information about the various overtime categories is summarized below:

- **Leave** – Leave overtime occurs whenever the Department chooses to fill a vacancy for a person who is off duty for annual, sick, bereavement, personal, military or administrative purposes. Most of this overtime leave occurs in Patrol because Patrol is the only unit in the Department where overtime fill is routinely authorized. Leave related overtime accounted for the largest portion of the Department's overtime hours. It accounted for 26% of the overtime hours.
- **Incident** – Incident overtime involves instances in which officers are either held over at the end of a shift to complete an investigation and the associated paperwork, complete an arrest or are called back to duty to conduct a major investigation. Incident overtime involves patrol and investigative personnel. Incidents accounted for 24% of the overtime hours.
- **Training** – Training involves the participation in training, coverage for personnel to attend training and the time used by department instructors to prepare for and provide training. 14% of the overtime costs for the training was reimbursed by grants to the Department. Training accounted for 18% of the overtime hours.
- **Court** – Officers routinely attend court where there cases are being heard. Most of the Court overtime involves Patrol personnel who work evenings, nights and weekends when the court is not in session and must come in on their off duty time. Investigators typically work a weekday schedule or can alter their schedule to attend Court. The State reimburses the Department for a portion of its overtime costs (District Court, Superior Court and Grand Jury) which amounts to \$30 per officer, per appearance if the officer is off duty. However, the State does not reimburse the Department for ALS Hearings. Court accounted for 10% of the overtime hours.

- **Meetings** – Meeting involve department staff meetings as well as meetings with community groups and citizens. Meetings accounted for 5% of the overtime hours.
- **Event** – Events involve activities in the City that attract widespread citizen participation and require additional security. Examples of events include Market Square Day, First Night, security details for government officials and July 4th. Events accounted for 5% of the overtime.
- **Open Beat** – Open Beat overtime is related to hiring on overtime to meet the Departments minimum staffing requirement. The Department assigns more personnel to each shift to in order to cover most vacancies and uses overtime to bring the shift strength up to minimum requirements. The minimum supervisory and street staff required varies by shift as follows:
 - Day Shift (0700 – 1500) – At least 4 non-ranking street officers, a non-ranking station officer and one ranking officer.
 - Evening Shift (1500 – 2300) – At least 5 non-ranking street officers, a non-ranking station officer and one ranking officer.
 - Night Shift (2300 – 0300) – At least 4 non-ranking street officers, a non-ranking station officer and one ranking officer.
 - Night Shift (0300 – 0700) – At least 3 non-ranking street officers, a non-ranking station officer and one ranking officer.

Open Beat accounted for 5% of the overtime.

- **Grants / External Funding** – Grants or external funding allow the Department to engage in activities that are not funded by the City. The School Resource Officer Program, the base cost of which is split with Schools (but not overtime), and the undercover drug operation are grant-funded activities. Grant funded overtime, all reimbursable, accounted for 5% of the overtime hours.

Most decisions regarding overtime for leave, incident and open beat coverage are made by the Ranking Officer in charge (Usually a Sergeant or Lieutenant) of the patrol shift on duty at the time a position needs to be filled. The Department has a general guideline for minimum staffing on each shift that includes a Ranking Officer, a station desk officer and the number of Patrol Officers described in the “Open Beat” section above. Depending on the time of day minimum staffing in Patrol ranges from as

few as five to as many as seven personnel. It should be noted that the Department must deploy a 2-person “trouble” car on the evening shift.

A review of several daily duty rosters and the data above about why overtime was authorized suggest there are opportunities for the Department to reduce the amount of overtime in some of the categories as discussed below.

- **Leave** – This overtime commitment allows for limited discretionary decisions by supervisors. The authorization of overtime for Patrol Officers on leave, 3,901 hours in FY 2005, is over and above the minimum staff guidelines of the department. For example, when leave related overtime is authorized on the Day Shift for patrol, actual staffing on the shift would be one Patrol Officer above the daily 3-Officer minimum. It should be noted that the 3,901 hours is composed of the following leave items: sick (1,669 hours), annual (1,647 hours), personal (253 hours), injured (184 hours), and funeral (148 hours).
- **Incidents, Training and Meetings** – These overtime commitments also involve some discretionary decisions by management and supervisors. While the study team did not review records in regard to incidents, meetings and training related overtime, better scrutiny of these activities could possibly lead to a tightening of the guidelines for supervisors who authorize these overtime commitments.
- **Court, Grants, Open Beat and Events** – These overtime activities are largely controlled by events outside the police Department. The Court and Open Beat overtime are mandated activities over which the Department has little or no discretion. The grants specifically authorized overtime activities and the events are City sponsored activities.

Recommendation: The Department should identify overtime auditing and control as a “Duty / Responsibility” for one of its ranking officers much as it has assigned “duties above and beyond their normal job roles” (i.e., IMC Computer Committee, Awards & Uniform Committee, Safety Officer, etc.) to ranking officers. The Overtime and Auditing Control Officer should develop policy, particularly in regard to Leave, and Incident related overtime to better specify the conditions under which such overtime should be used. The Department should set a goal for reducing “Leave” related overtime. The Overtime and Auditing Control Officer should periodically audit overtime authorizations to determine if and to what extent overtime is being used properly.

Overtime Hours and Costs in 2005

Overtime Category	Hours	Cost
Case investigation/enforcement	1,826	\$66,719
Sick coverage	1,669	\$53,544
Annual coverage	1,647	\$56,970
Participate in training	1,498	\$50,390
Extended hours/non-investigations	1,373	\$51,012
District Court	1,201	\$39,476
Grants/external funding	1,061	\$37,325
Training coverage	809	\$28,673
Open beat	714	\$25,101
Instructor for training	314	\$11,180
Other meetings	292	\$11,500
Staff meetings	279	\$11,162
Personal day coverage	253	\$7,338
Explorers	190	\$6,076
ALS hearings (DUI)	186	\$5,935
Injured coverage	184	\$6,183
Background investigations	171	\$6,831
Other special assignments	168	\$5,624
Shift change/daylight saving	157	\$3,525
Funeral coverage	148	\$4,879
Extra coverage	131	\$4,639
Shift briefing	122	\$4,984
Security detail	113	\$3,821
July 4 th	97	\$3,457
Superior Court	95	\$3,119
FLSA adjustment	80	\$12,372
Training prep/meetings	70	\$2,466
Community relations	57	\$2,012
Other court	44	\$1,905
Security detail - Government officials	43	\$817
Honor Guard	35	\$1,189
Christmas events	32	\$1,038
Honor Guard coverage	31	\$1,191
Market Square day	22	\$968
Grand Jury	19	\$652
K-9 Search call-out	13	\$428
K-9 demonstrations	9	\$294
First Night	4	\$128
Drug Task Force	4	\$135
School Resource Officer	3	\$106

5. MODIFYING THE ALLOCATION OF PERSONNEL TO SHIFTS BY TIME OF DAY COULD REDUCE THE AMOUNT OF OVERTIME USED BY THE POLICE DEPARTMENT.

The Police Department has a complex system for scheduling personnel to fit hourly and daily fluctuations in patrol workloads. More personnel are assigned to work later in the week as the call load tends to peak on Fridays and Saturdays. In addition more personnel are scheduled for the evening shift (1500 – 2300) because that is the busiest shift of the day. While we did not conduct a patrol workload analysis, a review of information about the scheduling of patrol officers suggests the Department may need to review the manner in which personnel are deployed during the course of the day.

The table, below, lists the average number of personnel scheduled for duty during a 4-week period by the Department as well as the percent of personnel scheduled on each shift. The data shown in the “Typical Call for Service distribution” column is based on typical distribution averages found in other Matrix Consulting Group studies and does not represent the service call distribution in Portsmouth. The “Typical Data” was used for this analysis because the Department did not provide requested service call data needed to perform the analysis.

Shift	Patrol Officers Scheduled	% of Officers Scheduled	Typical Call for Service Distribution
Day (0700 – 1500)	6.6	29%	33%
Evening (1500 – 2300)	8.3	36%	45%
Night (2300 - 0700)	7.9	35%	22%
Total	22.8	100%	100%

The data in the table suggest that the Police Department may be understaffing the evening shift and overstaffing the night shift. The mismatch between service demand patterns and daily staffing may be a contributing factor to the need for overtime

on the evening shift. A review of overtime use by shifts indicates that more overtime is used on the evening shift than on the day and night shift.

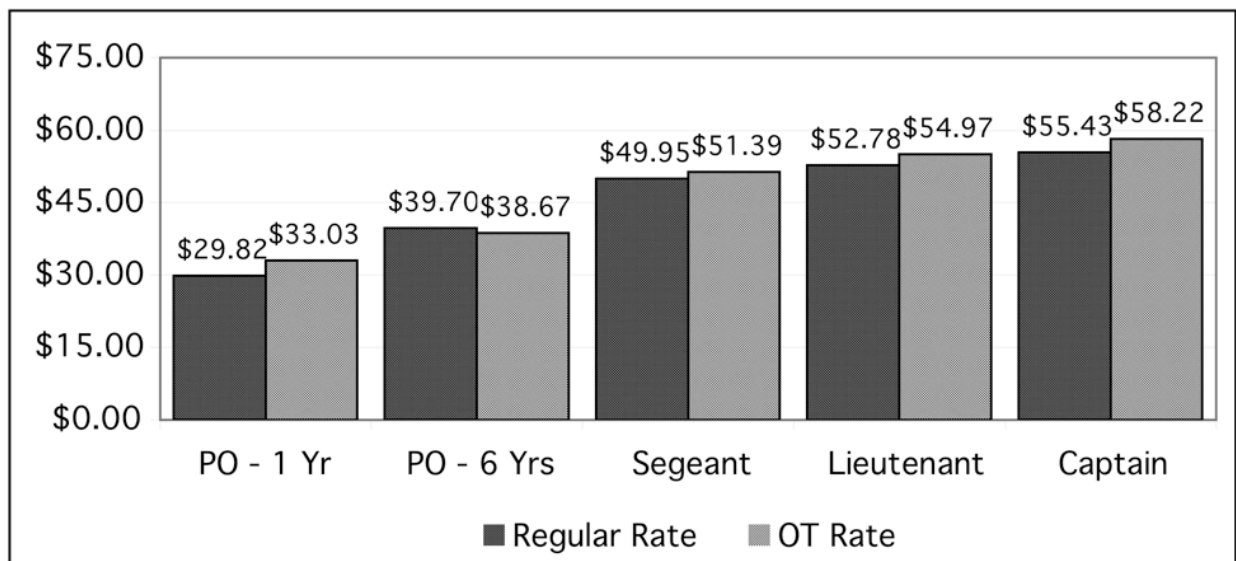
Recommendation: The Department should conduct a workload and staffing analysis of citizen generated service calls to determine if there is a need to reallocate the number of personnel assigned to each shift to better match service demand patterns in the City.

6. USING OVERTIME TO FILL VACANT DUTY SLOTS IS A COST EFFECTIVE USE OF POLICE DEPARTMENT RESOURCES.

As part of the study the Matrix Consulting Group analyzed the hourly costs for straight time and overtime for Police Officers, Ranking Officers and Dispatchers in the Department.

(1) Officer Comparison

That Officer comparison of overtime versus straight time cost appears in the following chart.

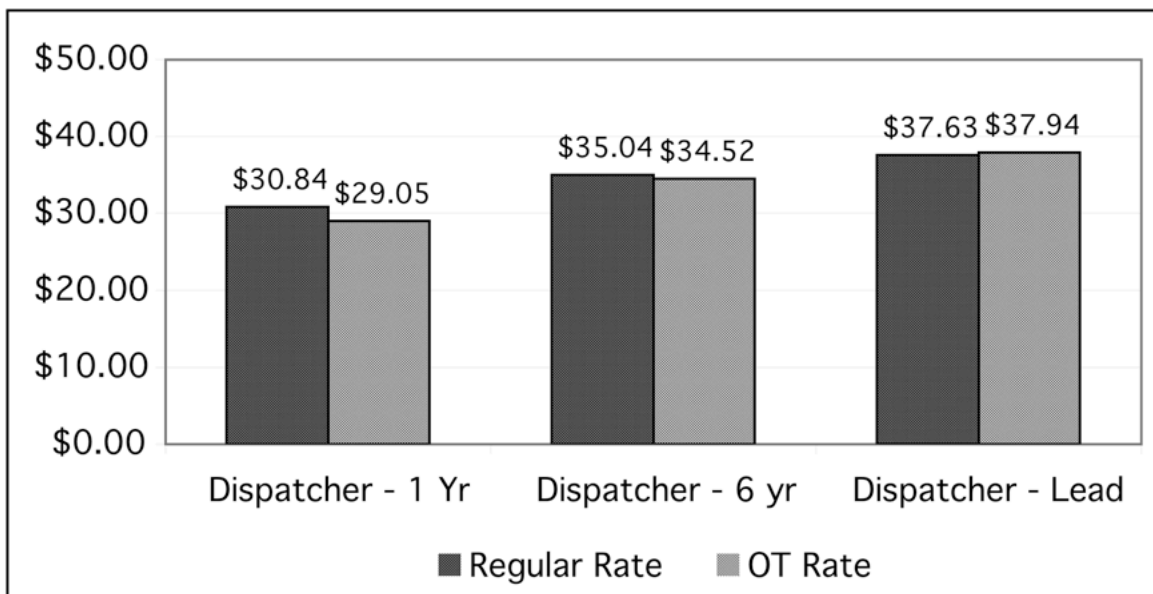


Analysis of the data indicates that the straight time and overtime costs for officers are close. Overtime, on average, is 4% to 5% more expensive per hour. However, overtime provides the Department with flexibility in covering vacancies and minimizes

the extent to which more than the minimum a number of personnel are on duty during a shift.

(2) Dispatcher Comparison

That Dispatcher comparison of salary and overtime cost appears in the following chart.



Analysis of the data indicates that the straight time and overtime costs for Dispatchers are nearly the same. Overtime, is slightly less expensive for the Dispatchers and slightly more expensive for the Lead Dispatcher. However, as in the case of Police Officers, overtime provides the Department with flexibility in covering vacancies and minimizes the extent to which more than the minimum a number of personnel are on duty during a shift.

7. MODIFYING THE ANNUAL TRAINING REQUIREMENT FOR DISPATCH PERSONNEL COULD REDUCE DISPATCH OVERTIME COSTS.

Dispatchers used approximately 2,415 hours of overtime in FY 2005 at a cost to the City of approximately \$71,000. Dispatch personnel work an 8-hour daily shift

consisting of 4-days on duty and 2-days off duty. This amounts to 243 workdays annually or 1,944 hours. To make up the difference between the 1,944 scheduled hours and their 2,042-hour work year dispatchers are obligated to work 12 additional days. The 12 additional days (98 hours) has been used for training. The training hours were set at a high level to enable the dispatchers to become more familiar with Fire Department operations and procedures. Given that the Dispatchers are thoroughly familiar with both Police and Fire communication needs and have been doing the job for a number of years, 12 days of training is excessive.

Recommendation: The number of training days for dispatchers should be reduced from 12 to four. The eight remaining training days should be used by the Department to reduce the amount of overtime currently used to fill in for dispatchers who are on leave. Use of the seven days per dispatcher should enable the Department to reduce the number of overtime hours by 640 hours annually at an overtime cost saving of \$18,700.

8. PERSONNEL IN THE POLICE DEPARTMENTS WORK A SUBSTANTIAL NUMBER OF OVERTIME HOURS, INCLUDING TIME FOR SPECIAL EVENTS AND PRIVATE DETAILS.

As with the Fire Department, members of the City Council requested information about the amount of over time and detail work the Police Department are engaged. Detail work involves police services provided to businesses in the community as well as to publicly sponsored work such as special events and capital improvement projects in the right-of-way. The Detail work performed by Police personnel is discretionary in many instances. Most of this work is not required by any State law or local ordinance or mandates, except for right-of-way safety which is required by local ordinance.

The Human Resource Department provided the Matrix Consulting Group with information about the number of hours each employee was hours and pay associated with overtime and detail activities. The discussion that follows is based on an analysis of

the Police and Dispatch personnel who engaged in the overtime and detail activities. The Dispatch operation is part of the Police Department.

The overtime picture in the Police Department is complicated because its overtime is driven by a number of diverse factors including:

- Minimum staffing levels in Patrol.
- Shift holdovers to complete arrests and reports.
- Mandatory court attendance.
- Grant funding for some investigative activities.
- A large number of outside work details with private companies.
- Provision of security for public events.

The Matrix Consulting Group analyzed Police overtime and detail work together because of concern about the total number of hours Police Officers might be working and the complicated nature of a Patrol Officers schedule, some of whom work evening and mid-night shifts and the need to attend court on days they are not scheduled to work. Separate analysis was conducted of overtime hours and pay for ranking Police Officers (Sergeants, Lieutenants and Captains), and Patrol Officers and Investigators and Dispatch personnel.

(1) Ranking Officer Overtime and Details in 2005.

The table, below, summarizes the amount of time various groups of Police Ranking Officers engaged in overtime and detail work (both public and private) in 2005. The table displays information about the highest overtime paid personnel as well averages for several overtime and detail user groups.

Ranking Police Officer Overtime and Details

Group	Total Hours	Hours per Week	Pay
Ranking Officers Overtime and Details			
Highest Ranking Officer Earners	1,181	23	\$44,661
Top 5 RO Average	588	11	\$24,145
Ranking Officer Average	312	6	\$13,459
Lowest 5 RO Average	78	1.5	\$ 3,729
Ranking Officer Overtime			
Highest Ranking Officer Earners	579	11	\$24,705
Top 5 RO Average	403	7.8	\$18,443
Department RO Average	245	4.7	\$11,212
Lowest RO Average	65	1.3	\$ 4,588
Ranking Officer Details			
Highest Ranking Officer Earners	602	12	\$19,957
Top 5 RO Average	195	3.8	\$ 6,512
Department RO Average	67	1.3	\$ 2,247
Lowest 5 RO Average	0	0	\$ 0

- There is substantial variation in the number of hours various individual Ranking Officers engaged in overtime and detail work.
 - The Ranking Officer with the most amount of overtime/detail work averaged 24 hours per week in 2005 and earned \$44,661.
 - The five Ranking Officers with the most extra assignments worked nearly twice as many overtime/detail hours as the five Ranking Officers with the least assignments and received \$24,145 in pay compared to \$3,729 for the five Ranking Officers with the least amount of overtime/detail pay.
 - The Ranking officers averaged 312 hours of overtime/detail work in 2005 – about six hours a week.
 - The five Ranking Officers with the most overtime/detail assignments worked nearly eight times as many overtime/detail hours as the five Ranking Officers with the least overtime/details and received \$17,063 in pay compared to \$1,880 hours for the lowest five.
- The large variation in the number of hours worked and pay occurs because although all Ranking Officers are offered an equal opportunity to work overtime/details they do not all accept overtime/details at the same rate.

(2) Police Officer and Investigator Overtime and Details in 2005.

The table, below, summarizes the amount of overtime for various groups of Police Officers and Investigators in 2005. The table displays information about the highest overtime paid personnel as well averages for several groupings.

Police Officers/Investigators Overtime and Details

Group	Total Hours	Hours per Week	Pay
Police Officers/Investigators Overtime and Details			
High Officer	1,241	24	\$40,933
Top 10 Officer Average	901	17	\$29,744
Officer Average	383	7.5	\$12,603
Lowest 10 Officer Average	46	.9	\$ 1,489
Police Officers/Investigators Overtime			
High Officer	432	8	\$16,017
Top 10 Officer Average	345	6.6	\$11,597
Officer Average	154	3	\$5,084
Lowest 10 Officer Average	21	.4	\$ 642
Police Officers/Investigators Details			
High Officer	926	18	\$30,343
Top 10 Officer Average	662	13	\$21,644
Officer Average	230	4.4	\$ 7,519
Lowest 10 Officer Average	2	0	\$ 65

- There is substantial variation in the number of hours various individual Police Officers and Investigators engaged in overtime and detail work.
 - The Officer/investigator with the most amount of overtime and detail work averaged 24 hours per week in 2005 and earned \$40,933.
 - The 10 Officers with the most overtime/detail assignments worked an average of 17 hours per week while the 10 officers with the least extra assignments worked less than one hour per week on overtime/details.
 - The Officers averaged 383 hours of overtime/detail work in 2005 – 7.5 hours per week on average.
- The large variation in the number of hours worked and pay occurs because although all Officers are offered an equal opportunity to work overtime and details they do not all accept these voluntarily at the same rate.

(3) Dispatcher Overtime in 2005.

The table, below, summarizes the amount of time various groups of Dispatchers worked overtime in 2005. The table displays information about the highest overtime paid personnel as well averages for several groupings.

Dispatcher Overtime

Group	Total Hours	Hours per Week	Pay
Dispatch Overtime			
High Dispatcher	484	9.3	\$15,616
Top 4 Dispatcher` Average	359	6.7	\$10,146
Dispatcher Average	220	4.2	\$ 6,742
Lowest 4 Dispatch Average	114	2.2	\$ 3,486

- There is some variation in the number of hours various individual Dispatchers engaged in overtime work.
 - The Dispatcher with the most amount of overtime averaged slightly over nine hours per week in 2005 and earned \$15,616.
 - The four dispatchers with the most overtime averaged 6.7 hours per week and earned an average of \$10,146 while four Dispatchers with the least overtime averaged 2.2 hours per week and earned \$3,486 during the year.
 - The Dispatchers averaged 220 hours of overtime work in 2005 – 4.2 hours per week on average.
- Like the Department uniform personnel, Dispatchers are offered overtime on a rotating basis.

Recommendation: The Police Department and the Police Commission should limit the amount of overtime and detail work to an appropriate number of hours per week per officer if the Officer is scheduled to work five days that week. If an Officer has scheduled vacation for a week the overtime and detail hour limit could be expanded, Officers who take sick time during a workweek should not be offered overtime or detail work during that same week (they are currently excluded for 24 hours from the point of call-in).

9. THE POLICE DEPARTMENT HAS AN EXCELLENT PROCESS FOR MANAGING AND VOUCHERING WORK DETAILS

Acceptance of this outside detail work is often discretionary (except for right of way construction and other safety issues) on the part of the Police Department. To the

extent possible the Department attempts to fill most, if not all of the requests. Final acceptance of a request is dependent on the voluntary availability of personnel to fill the assignment. Assignments are offered to off-duty Portsmouth Police Officers and Auxiliary Police Officers and, on occasion, if local personnel are not available, officers from other Police Departments.

The table, below, describes the process used by the Department to manage work requests, assignments, payment vouchers and receivable accounts. The Department uses internal processes to record requests and allocate the work to officers who volunteer for the assignments. Upon completion of the work and receipt of time slips from the client the pay request is processed in PortPay, the City's payroll system, and the client is billed via Pentamation, the City's financial system. The entire process is fully auditable.

OUTSIDE DETAIL SCHEDULING, ASSIGNMENT, PAYROLL AND BILLING PROCESSES
<p>Police Department Processes the Request</p> <p>The Station Officer handles requests from vendors.</p> <ul style="list-style-type: none">• Logs request (Vendor, type of work, location, dates, hours).• Completes, updates vendor information (Name, address, phone, etc).• Determines level of need and if it can be filled.• Contacts supervisor if necessary.• Approves/modifies/rejects vendor request.• Enters job into the Work Book.• Reviews officer overtime/detail list (Rolling list – Officer with day off status and least amount of money earned gets first choice.• Informs Officer s/he has the job and of the job hours and location.• Places the Officer's name in the Work Book.
<p>Officer (Regular Full time Officer or Auxiliary) Fulfills the Request</p> <ul style="list-style-type: none">• Completes the assignment• Gets signed voucher from the vendor.• Turns voucher into the PPD Business office for payroll processing.• Receives detail pay along with regular check for the pay period.

PPD Business Office Processes the Payment Voucher

- Receives voucher from the officer.
- Processes voucher in PortPay, the City's payroll system.
- Reconciles vouchers with the Work Book.
- Updates vendor information in PortPay.
- Logs information (Officer, hours, cruiser) into PortPay.
- Prepares invoice detail and submits it to City Finance.
- Prepares new/updated vendor and other reports.
- Reconciles payroll sheet of officer (Cost and billing totals).

City Finance Bills the Vendor

- Receives invoice detail from PD and enters cruiser and officer totals only. into Pentamation, the City's financial system.
- Processes Invoice cover sheets in Pentamation.
- Prepares invoice cover sheet and sends invoice to the vendor.
- Processes invoice like all other accounts receivable.
- Vendor pays the City.

Recommendation: No recommendation is made. The Department has an excellent system to record and track detail work, pay the officer involved and bill the client. The entire process is auditable.

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Presented on the following pages are several exhibits which provide the overtime data in greater detail for positions in the Police Department.

Exhibit 1

Dispatcher Compensation in CY 2005

Employee	Regular Hours	Regular Pay	Overtime Hours	Overtime Pay	Detail Hours	Detail Pay	Total Hours	Total Pay
1	2,080	\$44,797	484	\$15,616	0	0	2,564	\$60,413
2	2,080	\$50,056	86	\$3,069	0	0	2,166	\$53,125
3	2,078	\$39,293	371	\$10,497	0	0	2,449	\$49,790
4	2,078	\$44,678	152	\$4,918	0	0	2,230	\$49,596
5	2,079	\$39,293	182	\$5,155	0	0	2,261	\$44,448
6	2,143	\$39,357	167	\$4,726	0	0	2,310	\$44,083
7	2,077	\$37,197	205	\$5,527	0	0	2,282	\$42,724
8	1,680	\$29,984	292	\$7,727	0	0	1,972	\$37,711
9	960	\$15,141	52	\$1,230	0	0	1,012	\$16,371

Exhibit 2

Ranking Police Officer Compensation in CY 2005

Employee	Regular Hours	Regular Pay	Overtime Hours	Overtime Pay	Detail Hours	Detail Pay	Total Hours	Total Pay
1	2,079	\$58,889	579	\$24,705	602	\$19,957	3,260	\$103,550
2	2,078	\$65,410	464	\$21,806	37	\$1,266	2,579	\$88,482
3	2,076	\$70,093	306	\$15,382	0	0	2,382	\$85,475
4	2,078	\$65,580	342	\$16,163	0	0	2,420	\$81,743
5	2,075	\$59,757	310	\$13,225	224	\$7,365	2,609	\$80,397
6	2,079	\$68,815	225	\$11,143	0	0	2,304	\$79,958
7	2,077	\$70,170	194	\$9,199	5	\$190	2,275	\$79,559
8	2,066	\$67,192	340	\$15,020	0	0	2,447	\$76,300
9	2,079	\$59,757	339	\$14,522	47	\$1,716	2,465	\$75,996
10	2,077	\$63,145	254	\$11,623	25	\$955	2,356	\$75,723
11	2,080	\$67,696	119	\$5,636	0	0	2,199	\$73,332
12	2,076	\$61,280	269	\$11,937	0	0	2,345	\$73,217
13	2,079	\$63,950	133	\$6,139	67	\$2,257	2,278	\$72,346
14	2,080	\$68,788	58	\$2,842	0	0	2,138	\$71,629
15	2,080	\$70,170	12	\$577	0	0	2,092	\$70,748

Exhibit 3

Police Officer/Investigator Compensation in CY 2005

Employee	Regular Hours	Regular Pay	Overtime Hours	Overtime Pay	Detail Hours	Detail Pay	Total Hours	Total Pay
1	2,075	\$46,571	354	\$11,886	887	\$29,047	3,316	\$87,504
2	2,074	\$45,656	156	\$5,108	926	\$30,343	3,155	\$81,108
3	2,080	\$45,435	306	\$10,035	776	\$25,324	3,162	\$80,794
4	2,078	\$51,344	432	\$16,017	393	\$12,988	2,903	\$80,349
5	2,079	\$49,002	332	\$11,765	517	\$16,994	2,928	\$77,761
6	2,077	\$46,571	178	\$5,981	692	\$22,581	2,947	\$75,134
7	2,079	\$51,344	17	\$632	642	\$21,010	2,738	\$73,015
8	2,080	\$45,744	408	\$13,297	424	\$13,858	2,912	\$72,900
9	2,079	\$51,344	287	\$10,569	309	\$10,133	2,675	\$72,046
10	2,072	\$44,972	192	\$6,271	625	\$20,374	2,889	\$71,618
11	2,079	\$50,019	86	\$3,057	505	\$16,562	2,670	\$69,638
12	1,997	\$44,588	143	\$4,751	546	\$17,823	2,685	\$67,162
13	2,078	\$46,571	389	\$13,082	201	\$6,577	2,668	\$66,230
14	2,078	\$42,438	247	\$7,499	475	\$15,493	2,800	\$65,429
15	2,075	\$50,769	271	\$9,881	91	\$2,973	2,436	\$63,622
16	2,080	\$40,763	115	\$3,405	502	\$16,383	2,696	\$60,550
17	2,075	\$45,656	289	\$9,490	129	\$4,199	2,493	\$59,344
18	2,078	\$45,435	302	\$9,848	88	\$2,906	2,468	\$58,188
19	2,077	\$47,387	268	\$9,221	46	\$1,480	2,390	\$58,087
20	2,079	\$45,435	196	\$6,429	172	\$5,635	2,446	\$57,499
21	2,080	\$42,438	236	\$7,219	230	\$7,506	2,546	\$57,163
22	2,079	\$45,435	66	\$2,151	291	\$9,518	2,436	\$57,103
23	2,078	\$51,344	65	\$2,388	95	\$3,113	2,237	\$56,845
24	2,080	\$51,344	86	\$3,182	55	\$1,779	2,221	\$56,305
25	2,080	\$46,571	72	\$2,344	197	\$6,388	2,348	\$55,303
26	2,072	\$51,344	100	\$3,689	4	\$129	2,176	\$55,162
27	2,080	\$45,281	166	\$5,334	139	\$4,537	2,384	\$55,152
28	2,080	\$46,571	158	\$5,210	100	\$3,252	2,338	\$55,033
29	1,917	\$41,521	82	\$2,712	327	\$10,698	2,326	\$54,931
30	2,079	\$46,571	103	\$3,419	149	\$4,881	2,330	\$54,871
31	2,078	\$45,479	118	\$3,866	167	\$5,422	2,362	\$54,767
32	1,923	\$45,435	88	\$2,881	158	\$5,147	2,169	\$53,463
33	2,080	\$40,129	346	\$9,978	80	\$2,586	2,505	\$52,692
34	2,076	\$46,571	112	\$3,732	57	\$1,863	2,245	\$52,166
35	2,000	\$44,802	175	\$5,888	36	\$1,156	2,211	\$51,846
36	2,080	\$46,571	89	\$2,962	32	\$1,039	2,201	\$50,571

CITY OF PORTSMOUTH, NEW HAMPSHIRE
Citywide Overtime Audit

Employee	Regular Hours	Regular Pay	Overtime Hours	Overtime Pay	Detail Hours	Detail Pay	Total Hours	Total Pay
37	1,998	\$37,847	51	\$1,428	308	\$10,141	2,357	\$49,416
38	2,079	\$45,744	106	\$3,429	0	\$0	2,185	\$49,174
39	2,079	\$45,435	39	\$1,267	39	\$1,281	2,157	\$47,982
40	2,077	\$44,664	0	\$0	76	\$2,495	2,153	\$47,159
41	2,078	\$45,744	32	\$1,047	8	\$262	2,118	\$47,054
42	2,079	\$42,992	102	\$3,171	8	\$262	2,189	\$46,425
43	2,078	\$45,204	8	\$265	0	\$0	2,086	\$45,469
44	1,679	\$37,726	77	\$2,584	151	\$4,939	1,906	\$45,249
45	2,080	\$40,129	47	\$1,324	33	\$1,052	2,160	\$42,505
46	1,600	\$30,483	220	\$6,209	161	\$5,213	1,981	\$41,905
47	1,200	\$29,310	1	\$18	0	\$0	1,220	\$29,328
48	1,360	\$25,327	36	\$1,012	25	\$829	1,421	\$27,169
49	1,040	\$19,339	60	\$1,511	68	\$2,239	1,167	\$23,089
50	1,040	\$19,339	22	\$600	0	\$0	1,062	\$19,939
51	800	\$14,877	9	\$251	0	\$0	809	\$15,128

Exhibit 4

Ranking Fire Officer Compensation in FY 2005

Employee	Regular Hours	Regular Pay	Overtime Hours	Overtime Pay	Total Hours	Total Pay
1	2,241	\$69,292	643	29,197	2,884	\$98,489
2	2,242	\$69,255	621	28,093	2,863	\$97,348
3	2,242	\$66,324	537	23,310	2,779	\$89,634
4	2,244	\$70,549	413	18,963	2,657	\$89,512
5	2,183	\$63,274	278	10,113	2,461	\$73,388
6	2,242	\$58,783	565	21,756	2,807	\$80,540
7	2,233	\$57,251	430	16,081	2,662	\$73,333
8	2,243	\$56,019	424	15,537	2,667	\$71,556
9	2,244	\$55,094	368	13,286	2,612	\$68,380
10	2,249	\$54,691	358	12,805	2,607	\$67,496
11	2,242	\$55,446	269	9,826	2,512	\$65,271
12	2,243	\$59,258	148	5,788	2,390	\$65,046

Exhibit 5

Firefighter Compensation in FY 2005

Employee	Regular Hours	Regular Pay	Overtime Hours	Overtime Pay	Total Hours	Total Pay
1	2,131	\$68,659	366	\$11,901	2,497	\$80,560
2	2,754	\$60,881	541	\$17,682	3,295	\$78,563
3	2,807	\$57,967	446	\$14,610	3,253	\$72,577
4	2,297	\$51,891	600	\$19,593	2,897	\$71,485
5	2,239	\$55,968	469	\$14,836	2,707	\$70,804
6	2,076	\$48,263	633	\$21,229	2,709	\$69,492
7	2,237	\$51,293	537	\$18,129	2,774	\$69,422
8	2,257	\$50,280	554	\$18,133	2,811	\$68,413
9	2,236	\$51,871	495	\$16,488	2,731	\$68,359
10	2,239	\$52,796	422	\$14,668	2,660	\$67,464
11	2,236	\$52,119	435	\$14,918	2,671	\$67,037
12	2,664	\$55,159	363	\$11,159	3,027	\$66,318
13	2,164	\$49,597	581	\$15,924	2,745	\$65,521
14	2,233	\$49,952	462	\$15,192	2,695	\$65,144
15	2,302	\$49,652	475	\$15,082	2,777	\$64,734
16	2,238	\$52,373	359	\$12,355	2,597	\$64,727
17	2,160	\$51,270	393	\$13,053	2,553	\$64,323

CITY OF PORTSMOUTH, NEW HAMPSHIRE
Citywide Overtime Audit

Employee	Regular Hours	Regular Pay	Overtime Hours	Overtime Pay	Total Hours	Total Pay
18	2,182	\$50,847	377	\$12,591	2,559	\$63,438
19	2,245	\$50,026	379	\$12,397	2,623	\$62,423
20	2,240	\$48,318	437	\$13,822	2,677	\$62,140
21	2,229	\$49,778	360	\$11,825	2,589	\$61,604
22	2,251	\$50,658	327	\$10,697	2,579	\$61,355
23	2,234	\$48,090	415	\$13,138	2,648	\$61,228
24	2,233	\$49,565	346	\$11,219	2,579	\$60,784
25	2,249	\$48,986	290	\$9,198	2,539	\$58,184
26	2,183	\$57,118	49	\$1,678	2,232	\$58,796
27	2,234	\$51,388	197	\$6,639	2,431	\$58,026
28	2,181	\$54,341	113	\$3,590	2,293	\$57,931
29	2,151	\$54,392	91	\$3,104	2,241	\$57,495
30	2,241	\$49,841	234	\$7,612	2,475	\$57,453
31	2,240	\$49,170	165	\$5,288	2,405	\$54,458
32	2,073	\$46,761	241	\$7,629	2,314	\$54,390
33	2,230	\$47,767	171	\$5,537	2,401	\$53,303
34	2,232	\$48,214	172	\$4,781	2,404	\$52,995
35	2,235	\$46,387	131	\$4,036	2,366	\$50,423
36	2,237	\$48,513	9	\$274	2,246	\$48,787
37	2,241	\$42,926	157	\$4,423	2,398	\$47,349
38	2,235	\$41,080	107	\$2,895	33,42	\$43,975
39	2,241	\$40,861	30	\$828	2,271	\$41,689
40	1,833	\$30,244	187	\$4,574	2,020	\$34,818
41	1,546	\$28,161	105	\$2,815	1,651	\$30,976
42	1,531	\$24,683	92	\$2,246	1,623	\$26,928
43	989	\$20,251	4	\$126	993	\$20,377
44	1,025	\$17,960	48	\$1,242	1,073	\$19,202

10. PUBLIC WORKS DEPARTMENT OVERTIME IS PRIMARILY DRIVEN BY EMERGENCY NEEDS (FOR EXAMPLE, SNOW REMOVAL, INFRASTRUCTURE REPAIRS, ETC.) AND IMPACTED BY CONTRACTUAL OBLIGATIONS.

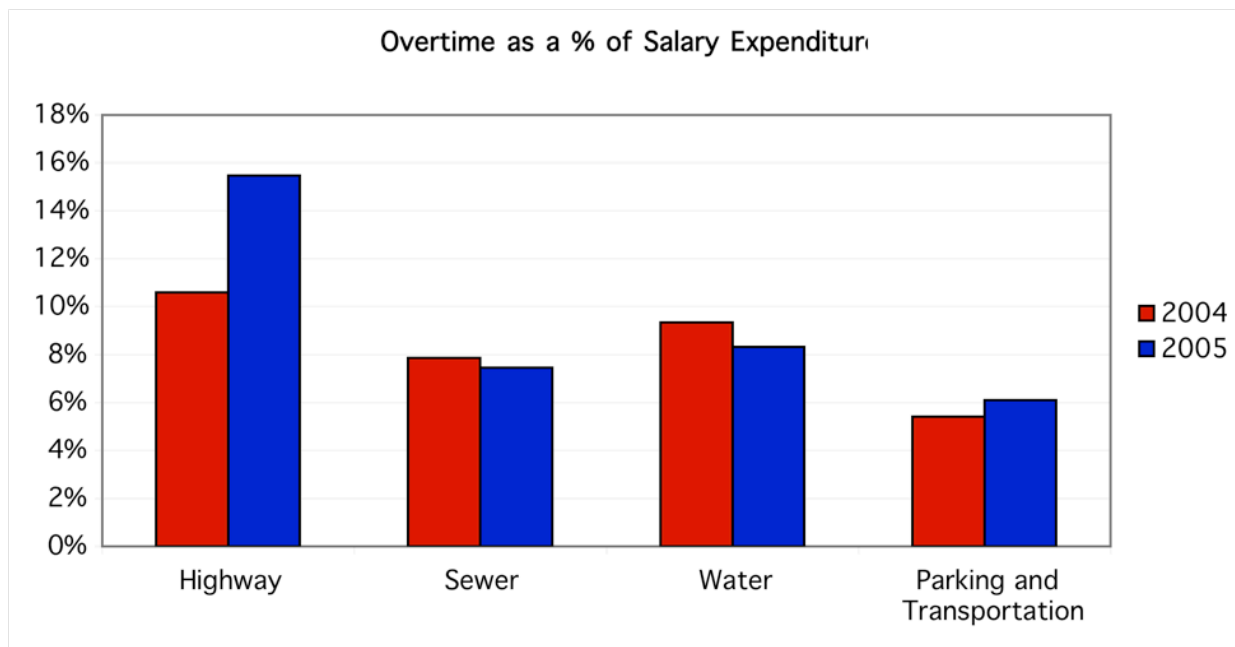
The Public Works Department consists of several distinct independent operations, including Highway, Water, Sewer, and Parking and Transportation Division. There are several factors impacting overtime and compensatory utilization in the Public Works Department. The table, which follows, presents a summary of those factors.

Division	Factors Impacting Overtime
Highway	<ul style="list-style-type: none">• Contract specifies work hours as straight 8s from 7:30 AM to 3:30 PM. This excludes custodial personnel.• Division has primary responsibility for snow removal during winter storms.• On a rotational basis, staff are on-call to handle emergency callbacks.• Service level targets:<ul style="list-style-type: none">– Refuse collection (scheduled overtime to handle downtown areas and peak seasons, as well as continuation of collection services on holidays)– Recycling center (staffed on Saturdays)– Street sweeping (scheduled overtime to perform service during slow activity periods)• Special events (e.g., set-ups / take downs, and cleaning for community events in City)
Water and Sewer	<ul style="list-style-type: none">• Contract specifies work hours as straight 8s from 7:30 AM to 3:30 PM.• Monitoring of water and waste water treatment facilities (scheduled overtime on weekends and holidays)• On a rotational basis, staff are on-call to handle emergency callouts.• Maintenance programs and service level targets (e.g., hydrant flushing conducted during non-work hours)• Some overtime in water and sewer is reimbursable.
Parking and Transportation	Staff the High-Hanover parking facility, which is open twenty-four hours per day, seven days per week. Parking facility is open on holidays.

The Public Works Department has taken a number of steps to control overtime and compensatory utilization in its Divisions, including:

- When mutually agreed upon (contract term), the Public Works Department flexibly schedules staff. For example, lines and stripes personnel work from 4 AM to 12 PM during peak striping periods.
- Supervisors are on-call and are responsible for approving callbacks and associated overtime, especially for emergency overtime (such as a line break)..
- The Department utilizes scheduled overtime to better utilize staff (e.g., rather than have 1.0 FTE scheduled per weekend day at the water and wastewater treatment facilities, the Department utilizes scheduled overtime for 4 hours).
- The Department uses part-time employees to flexibly provide coverage and services, including parking garage attendants, parking enforcement, etc.
- As noted in the table, some overtime is reimbursable in water and sewer functions.

The chart, which follows, presents overtime expenditures for the Department by each key division for Fiscal Years 2003 – 2004 and 2004 – 2005.



Compared to other government operations, the overtime as a percentage of salary expenditures in the Public Works Department is at the upper end of the range for non-public safety departments (i.e., outside of Police and Fire). This is driven, in part,

by two key factors: (1) emergency callbacks (e.g., snow removal, infrastructure repair, etc.) and (2) contractual obligations (specifically work hour restrictions).

As noted, the Public Works Department has taken steps to control overtime and compensatory utilization given its current service level targets. With that said, collection and analysis of overtime data would better enable managers and key decision makers to understand and evaluate the cost of programs. For example, the project team collected data regarding overtime utilization for the Water and Sewer Maintenance Division. The table, below, presents a summary of the overtime hours from February 1, 2005 through January 31, 2006. Please note that the City bills for a portion of this overtime.

General Work Category	OT Hours for Emergency	Non-Emergency OT Hours	Unknown	Total OT Hours
Dig Safe	48	8	—	56
Ditch	9	24	—	33
Drainage	4	—	—	4
Equipment	1	25	—	26
Gate Box	1	2	—	3
Gate Valve	42	83	—	125
Hydrant	36	1,057	—	1,093
Lagoons	21	2	—	23
Main	4	4	—	8
Manhole	12	23	—	35
Meters	4	—	—	4
On Call Week	—	9	140	149
Service	143	208	39	389
Sewer Lateral	8	101	—	109
Sewer Main	26	110	—	136
Structure Fire	4	4	—	8
Tide Gate	—	4	—	4
Unknown	—	20	193	213
Water	—	3	—	3
Water Main	252	279	—	531
Well	4	—	—	4
Total	618	1,963	372	2,952

As shown in the table, of the overtime hours, approximately 66% of overtime hours were for non-emergency work, including hydrant program (35% of overtime

hours), etc. The Human Resources Department provided the project team with data for each employee, which included current salary and benefit costs. Based on the total actual annual cost (salaries and benefits) for each employee, the Matrix Consulting Group calculated the overtime costs by general work category. It should be noted that the cost reflect the actual salary and benefit costs for the employees for performed the work.

General Work Category	OT Costs for Emergency Work	OT Costs for Non-Emergency Work	Unknown	Total OT Hours
Dig Safe	\$1,945	\$407	–	\$2,352
Ditch	\$349	\$1,001	–	\$1,350
Drainage	\$184	–	–	\$184
Equipment	\$25	\$1,123	–	\$1,148
Gate Box	\$23	\$92	–	\$115
Gate Valve	\$1,873	\$3,676	–	\$5,549
Hydrant	\$1,552	\$46,514	–	\$48,066
Lagoons	\$948	\$99	–	\$1,047
Main	\$133	\$222	–	\$356
Manhole	\$552	\$1,052	–	\$1,604
Meters	\$184	–	–	\$184
On Call Week	–	\$419	\$6,029	\$6,448
Service	\$6,411	\$9,349	\$1,585	\$17,345
Sewer Lateral	\$317	\$4,710	–	\$5,027
Sewer Main	\$1,122	\$5,004	–	\$6,126
Structure Fire	\$182	\$184	–	\$365
Tide Gate	–	\$154	–	\$154
Unknown	–	779	\$10,075	\$10,854
Water	–	\$140	–	\$140
Water Main	\$11,390	\$12,658	–	\$24,048
Well	\$172	–	–	\$172
Total	\$27,361	\$87,583	\$17,688	\$132,632

As shown in the table, above, the cost of non-emergency overtime for the Water and Sewer Maintenance functions was approximately \$87,583, of which 53% of the cost is attributable to hydrant work.

While the Public Works Department has taken several steps to reduce overtime and compensatory utilization in the Department, there are opportunities, through the collection and analysis of detailed overtime and compensatory data to review the costs

associated with providing services, as well as costs associated with specific contractual obligations. For example, the City performs hydrant flushing during non-work hours due to the demand it places on the water system. The contract defines work hours for most positions in the Public Works Department as straight eights from 7:30 AM to 3:30 PM. This contractual obligation creates an opportunity for overtime for services and programs that are better performed during non-work hours (e.g., the bulk of the \$46,500 for hydrant work, etc.) For the most part, this obligation governs the demand and need for overtime as it impacts the Department's ability to schedule work activities that would promote efficiencies (e.g., during non-peak service demand times, travel times, etc.)

Using the Water and Sewer Maintenance Division as an example, the Public Works Department can implement the following improvements:

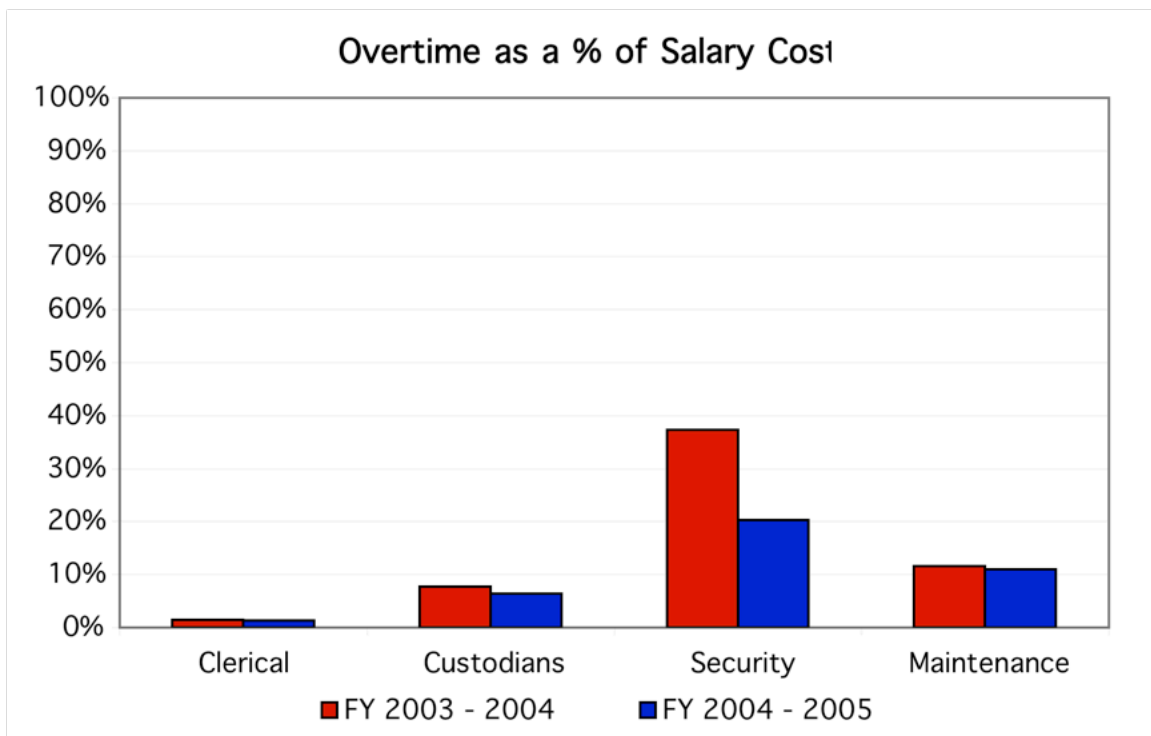
- As shown in the tables, causes and / or types of work performed are unknown for 13% of overtime. Data are not consistently entered and reported in the database. The Department should develop standard codes for overtime and compensatory time causes. Each time overtime or compensatory time is generated and approved, a code should be assigned. The data should be tracked through the City's payroll system. Additionally, codes for overtime and / or compensatory events should include specific causes (e.g., project completion, emergency repairs, preventive programs such as after hours hydrant flushing).
- The contract states that 'daily scheduled work hours maybe changed by mutual consent between the employee and the department head.' The Public Works Department has made arrangements to flexibly schedule specific job tasks (such as striping of streets, road sign installation, etc.) However, given the data in the above table, the Department should examine non-emergency tasks performed on an overtime basis to determine if there are opportunities to flexibly schedule work activities (including staff willing to sign up for shifts). An evaluation on the impact of work not performed would also have to be reviewed (e.g., if staff are working on an overtime basis, they are performing work functions during the normal work hours. As such, if staff are flexibly scheduled, then work duties are not performed during those normal work hours).

Recommendation: The Public Works Department has taken several steps to control overtime and compensatory utilization. The Department should expand collection and analysis of overtime and compensatory utilization and explore

additional opportunities to flexibly schedule non-emergency activities to reduce overtime costs.

11. OVERTIME COSTS IN THE SCHOOL DEPARTMENT (NON-INSTRUCTIONAL) IS MINIMAL.

The Matrix Consulting Group reviewed operations, overtime and compensatory time utilization in the School Department for non-instructional staff, including custodians, maintenance personnel, clerical, security and technology support positions. The table, which follows, presents overtime as a percentage of salary costs for those units in the School Department.



As shown in the table, for the most part, the School Department does not have significant overtime. The School Department is reimbursed for overtime on certain occasions, including custodial and security services for non-School Department events, etc. With that said, there are some potential opportunities to reduce overtime, including:

- Security services are provided at the High School, as well as for after hour events (e.g., athletic games, dances, etc.). Contracting for this service on a

part-time or as needed basis could potentially reduce overtime. The Matrix Consulting Group contacted private security guard companies in New Hampshire. The average hourly rate charged to clients was between \$16 and \$18 per hour. At the Fiscal Year 2004 – 2005 annual salary and benefit expenditures this would provide approximately 2,264 hours of security services. In addition to not having overtime and benefit costs, this service could be utilized on an as-needed basis (e.g., not paying for vacations, leave time coverage, etc.)

- The School Department has its own custodial and building and grounds maintenance staff. Potentially, there are opportunities to share staff and / or the provision of services with the City's Public Work's Department that could reduce personnel / overtime costs associated with maintenance and custodial services.

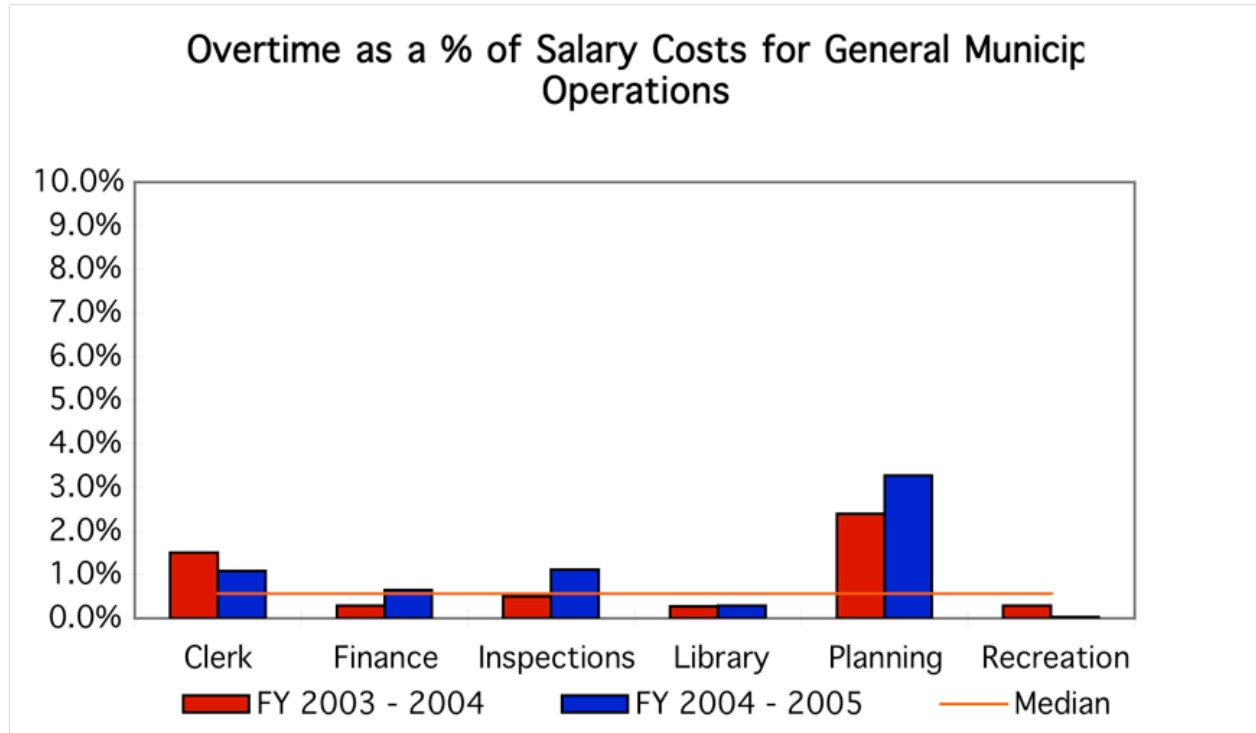
Recommendation: No recommendations are made with respect to the School Department. Overall, for non-instructional personnel, overtime utilization in the School Department was not significant.

12. GENERAL MUNICIPAL OPERATIONS

Through interviews and data collection, the Matrix Consulting Group review overtime and compensatory time utilization in the general municipal operations, including the following departments:

- | | |
|---------------|--------------|
| • City Clerk | • Library |
| • Finance | • Planning |
| • Inspections | • Recreation |

Overtime and compensatory time utilization in these functions is minor. The chart, below, presents overtime as a percent of salaries for the general government.



For these functions, the overtime median as a percent of salary is 0.6%. While overtime for general government is minor (for the last fiscal year, overtime amounted to \$16,827), there are opportunities to better control it and compensatory time.

Recommendation: In spite of the fact that general municipal operations do not have significant overtime expenditures, there are several steps which these departments could take to better control these costs:

- **Use of qualified part-time or temporary positions to provide coverage for clerical functions, particularly as it relates to minutes at night meetings (e.g., Planning Board).**
- **Alternatively consider utilizing a full time staff position with irregular hours to cover after hour meetings.**
- **Improve the documenting and monitoring of overtime and compensatory time utilization. This should include tracking overtime and compensatory time by cause for all departments.**
- **Develop citywide policies governing overtime and compensatory time.**
- **Through contract negotiations, identify opportunities to better control overtime and compensatory time utilization.**

ATTACHMENT

Comparative Survey Results

As part of the citywide overtime audit, the Matrix Consulting Group has developed a comparative survey to collect data against which to benchmark overtime utilization and administration in the City of Portsmouth. The points, below, presents an overview of the survey.

- Collected Fiscal Year 2004 – 2005 actual data from comparative agencies that included salary and overtime expenditures and number of fulltime equivalents.
- Conducted phone interviews of finance and human resources personnel to understand elements impacting overtime in each community, including:
 - Policies and use of compensatory time, billing of outside entities, detail assignments,
 - Standard workweek for staff (by key area, such as Police, Fire, Public Works, and general government);
 - Overtime approval process;
 - Descriptions of systems utilized to control overtime;
 - Overview of key contractual items impacting overtime;
 - Policies and procedures relating to billing outside entities;

The table, which follows, presents a summary of the data collected by the project team. It should be noted that information collected from the comparative agencies varied depending on availability of municipal staff to extract the data from their financial and payroll systems, as well as accessibility and ease of data extraction. The table presents all information made available to the consultant.

CITY OF PORTSMOUTH, NEW HAMPSHIRE
Attachment A – Comparative Survey

Question	Portsmouth, NH	Newton, MA	Concord, NH	Nashua, NH	Rochester, NH	Andover, MA	Lexington, MA	Peabody, MA	Newport, RI
FY 2004 – 2005 Salary Expenditures:									
Fire	\$2,699,752	\$8,964,183	\$4,737,835	\$10,768,559	\$1,694,531	\$4,858,103	\$2,999,636	\$4,709,816	\$5,155,436
Police	\$3,982,392	\$8,586,024	–	\$12,674,911	\$2,572,408	\$4,397,645	\$3,339,827	\$4,661,669	\$5,514,905
Public Works*	\$4,570,088	\$5,737,928	–	\$5,484,173	\$1,675,036	\$2,761,651	\$3,273,927	\$2,338,492	\$774,471
FY 2004 – 2005 Overtime Expenditures:									
Fire	\$680,458	\$576,387	\$924,841	\$509,056	\$204,295	\$823,135	\$724,935	\$355,067	\$780,883
Police	\$462,871	\$591,097	–	\$1,265,400	\$150,000	\$812,157	\$520,702	\$562,162	\$631,961
Public Works	\$513,501	\$1,063,091	–	\$656,143	\$194,858	\$628,936	\$615,869	\$612,458	\$119,661
Staffing Levels for Each Department, in Fiscal Year 2004 – 2005:									
Fire	60	188	–	–	–	72	54	–	95.5
Police	90	186	–	–	–	72.5	60.63	–	99
Public Works	113.5	174	–	–	–	52.6	80.6	–	18.6

* The table, below, presents a break out for the City of Portsmouth's Department of Public Works.

FY 05 Expenditures by Division for DPW	Salary	Overtime
Highway	\$2,123,642	\$328,496
Water	\$1,029,599	\$85,741
Sewer	\$939,190	\$70,117
Parking and Transportation	\$477,657	\$29,147
Total	\$4,570,088	\$513,501

The points, which follow, provide a discussion of the information presented in the table on the previous page.

- The median salary expenditure per fulltime equivalent for the comparative agencies for Fire Department personnel is \$54,766. In the City of Portsmouth, the salary expenditures per FTE are \$46,637, which is lower than the median. However, overtime expenditures per FTE are 18% higher than the median of the comparative agencies at \$11,341 per FTE. The table, below, presents the results by municipal agency.

City	Salary Expenditures per FTE	Overtime Expenditures per FTE
Portsmouth, NH	\$46,637	\$11,341
Newton, MA	\$47,682	\$3,066
Andover, MA	\$67,474	\$11,43
Lexington, MA	\$55,549	\$13,425
Newport, RI	\$53,984	\$8,177
Median	\$54,766	\$9,805

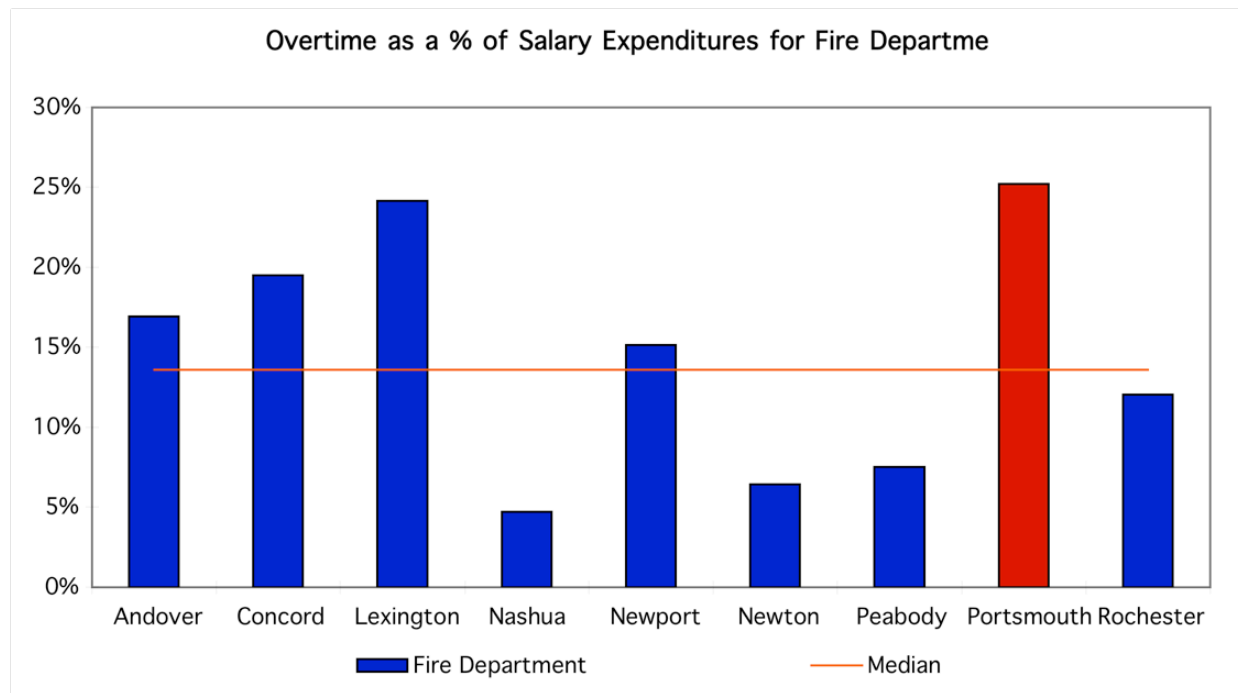
- The median salary expenditure per FTE for the comparative agencies for Police is \$55,396. In Portsmouth, the salary expenditures per FTE are \$44,249. This is 20% lower than the median. Additionally, overtime expenditures per FTE in Police are over 30% lower than the median of the agencies. It should be noted that the overtime expenditures in the table below presented municipally funded overtime and not additional earnings made by staff through outside detail work. Overtime expenditures for Police do not include pay for outside detail work.

City	Salary Expenditures per FTE	Overtime Expenditures per FTE
Portsmouth, NH	\$44,249	\$5,143
Newton, MA	\$46,161	\$3,178
Andover, MA	\$60,657	\$11,202
Lexington, MA	\$55,085	\$8,588
Newport, RI	\$55,706	\$6,383
Median	\$55,396	\$7,486

- The median salary expenditures per FTE for Public Works personnel are \$41,129. In Portsmouth, this is \$40,266, or 2% lower than the median of the comparative cities. The median overtime expenditure per FTE is \$7,037 per FTE, which is significantly higher than overtime expenditures per FTE in Portsmouth.

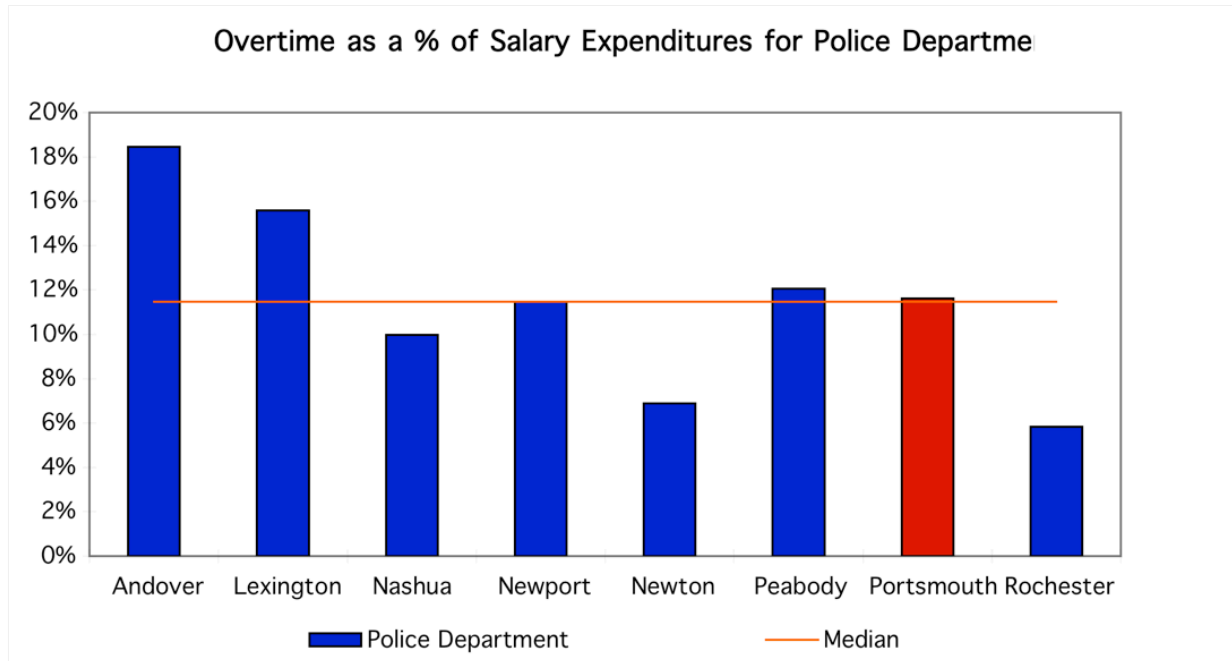
City	Salary Expenditures per FTE	Overtime Expenditures per FTE
Portsmouth, NH	\$40,265	\$4,524.24
Newton, MA	\$32,977	\$6,109.72
Andover, MA	\$52,503	\$11,956.96
Lexington, MA	\$40,619	\$7,641.05
Newport, RI	\$41,638	\$6,433.39
Median	\$41,129	\$7,037.22

The chart, which follows, presents a comparison of overtime expenditures as a percentage of salary for Fire Departments.



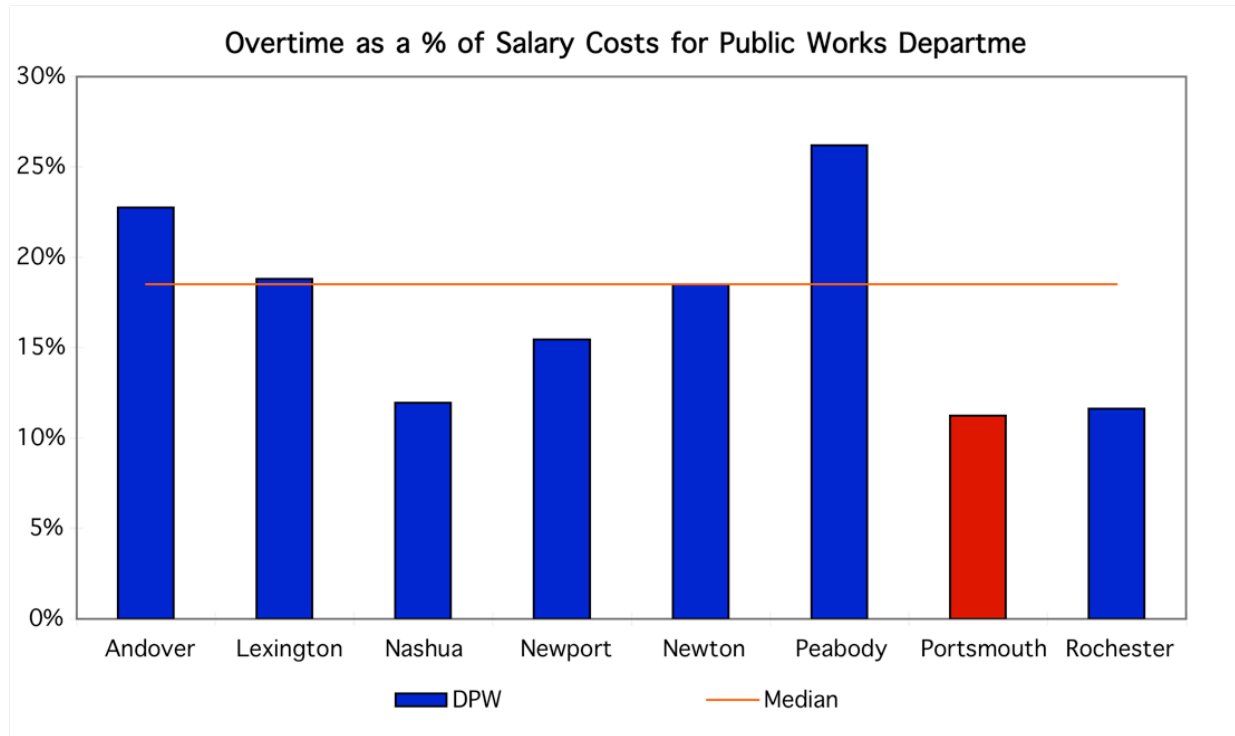
The median overtime as a percentage of salary expenditures is 14% for the comparative agency. For Fiscal Year 2004 – 2005, overtime expenditures were 25% of salary costs in the Portsmouth Fire Department.

The table, which follows, presents the overtime expenditures as a percentage of salary costs for Police Departments.



The median overtime as a percentage of salary expenditures is 11% for the comparative agency. For Fiscal Year 2004 – 2005, overtime expenditures were 12% of salary costs in the Portsmouth Police Department.

The table, which follows, presents the overtime expenditures as a percentage of salary costs for Public Works Departments.



The median overtime as a percentage of salary expenditures is 19% for the comparative agency. For Fiscal Year 2004 – 2005, overtime expenditures were 11% of salary costs in the Public Works Department.

Jurisdiction	Use of Compensatory Time	Overtime Approval Process	Overtime Controls and Impacts	Overtime Billing
Concord, NH	The City does utilize compensatory time in lieu of overtime.	In each department, supervisors and managers are responsible for approving overtime.	<ul style="list-style-type: none"> • Monitoring of budgeted versus actual overtime expenditures. • Use of seasonal, part-time and temporary employees. • Ability change of work hours / schedule (e.g., three shifts and ability to change work hours up to 2 hours before or after normal work hours). • Winter standby paid at OT for 1 hour. • Callback minimum of 2 hours at OT rate for DPW and 4 hours for Police. 	Each department is responsible for coordinating billing of external entities for overtime.
Dover, NH	The City does utilize compensatory time in lieu of overtime.	Overtime is approved at the department level by departmental supervisors.	<ul style="list-style-type: none"> • Use of seasonal and part-time employees to provide coverage and address peaks in workloads. • Over hire to cover leave time (rather than use overtime) for public safety functions. 	Each department is responsible for billing external entities for overtime costs.
Manchester, NH	The City does allow employees to earn compensatory time in lieu of overtime. Department directors determine policies on how and when compensatory time is utilized.	First line supervisors are responsible for approving overtime.	<ul style="list-style-type: none"> • Monitor overtime expenditures on an ongoing basis. • Utilize part time labor to perform various tasks, as well as seasonal work. • Ability to flexibly schedule employees. 	Departments are responsible for billing external agencies for overtime.

Jurisdiction	Use of Compensatory Time	Overtime Approval Process	Overtime Controls and Impacts	Overtime Billing
Nashua, NH	The City does not have a citywide policy allowing compensatory time. However, comp time is utilized in lieu of overtime. Procedures and practices governing the use of comp time are developed by the departments in which it is used.	Department managers and supervisors approve all overtime.	<ul style="list-style-type: none"> • Fire and police have minimum staffing for which overtime will be used to provide coverage. • Contracts have restrictions on workweeks similar to Portsmouth (e.g., DPW work hours are from 6:30 AM to 2:30 PM—overtime paid for work outside those hours). • Also, paid leave time counts towards overtime hours. 	This is handled at the department level for those departments that bill outside entities.
Newton, MA	Compensatory time is used in lieu of overtime. This is governed by various contracts.	First line supervisors approve overtime at the departmental level.	<ul style="list-style-type: none"> • Flexible schedules for some contracts and / or classifications (e.g., clerical staff, DPW, etc.) • Fire has minimum staffing guidelines for which overtime is utilized to maintain. • Departments are responsible for generating reports to monitor overtime expenditures. 	Departments are responsible for billing outside entities for overtime costs. The rates charged also include an administrative fee.
Portsmouth, NH	Compensatory time is used in lieu of overtime. Practices vary depending on departments and contracts.	Department supervisors and managers approve overtime.	<ul style="list-style-type: none"> • On line budget and expenditure reports are available to all departments. • Where possible, flexible schedule for staff are utilized. The contract impacts departments' ability to change work hours. • Some contract limitations, such as work hours for the Public Works Department, minimum manning for Fire and Police, leave time counts towards hours for overtime pay, etc. 	The City is has of centralized billing of overtime in the Finance Department.

The points, which follow, provide a summary of the information presented in the table.

- Compensatory time usage varied among the surveyed agency. For those communities with comp time, accrual and usage was governed by contracts and / or specific departmental policies and procedures.
- Approval of overtime by first line supervisors is the standard practice of the comparative agencies.
- Comparative communities had systems in place to control overtime utilization, including:
 - Ability to flexibly schedule staff, where appropriate.
 - Multiple shift schedules.
 - Monitoring of actual overtime expenditures to budgeted amounts.
 - Supervisory and management approval of overtime.
 - Use of temporary, seasonal and part-time employees.
- In most of the comparative communities, each department is responsible for coordinating the billing of external entities.

