

Agency Overtime

May 1, 2015

At the April 1 board staff budget briefing, board staff requested an analysis of Metro overtime usage. In response, OMB has prepared the chart below showing a 3-year analysis of overtime, by managing department and bargaining unit. We request that your department provide the following:

- a) An explanation of overtime overages, by bargaining unit and by discipline, and
- b) An action plan to control overtime in FY16.

Overtime spending as a percent of Normal time spending					FY15 Normal Time Budget vs. Actual Spending				FY15 Overtime Budget vs. Actual Spending			
	FY13 Actual	FY14 Actual	FY15 Est Actual*	FY15 Budget	FY15 Normal Time Budget	FY15 Normal Time Actual*	\$ Difference	FY15 Normal Actual v Budget	FY15 OT Budget	FY15 OT Actual*	\$ Difference	FY15 OT Actual v Budget
CEO												
ATU	29.8%	24.4%	32.9%	8.3%	1,229,700	998,456	231,243	81.2%	102,000	328,975	(226,975)	322.5%
TCU	7.3%	6.7%	10.5%	2.5%	2,570,169	2,895,219	(325,050)	112.6%	65,241	304,348	(239,107)	466.5%
AFSCME	27.1%	30.9%	31.2%	8.7%	1,277,740	1,309,894	(32,154)	102.5%	111,795	409,340	(297,545)	366.2%
Teamsters	53.0%	55.8%	60.9%	39.6%	3,817,966	3,090,324	727,642	80.9%	1,513,326	1,882,036	(368,710)	124.4%
Communications												
TCU	7.3%	5.9%	9.9%	0.1%	7,456,460	6,650,539	805,921	89.2%	10,711	659,358	(648,647)	6156.0%
Finance & Budget												
TCU	6.1%	7.6%	11.0%	5.2%	3,015,315	2,793,646	221,669	92.6%	155,998	306,649	(150,650)	196.6%
AFSCME	9.8%	9.8%	11.7%	7.8%	190,817	207,970	(17,153)	109.0%	14,796	24,250	(9,454)	163.9%
ITS												
ATU	19.4%	23.0%	33.2%	0.0%	2,079,897	2,156,962	(77,065)	103.7%		715,992	(715,992)	#DIV/0!
TCU	2.4%	2.4%	1.9%	0.0%	612,573	604,632	7,941	98.7%		11,549	(11,549)	#DIV/0!
Operations												
UTU	23.6%	24.8%	27.4%	25.2%	178,428,148	172,597,662	5,830,486	96.7%	44,978,005	47,302,966	(2,324,961)	105.2%
ATU	22.7%	25.3%	25.4%	13.5%	116,666,471	118,184,908	(1,518,437)	101.3%	15,770,901	30,016,974	(14,246,073)	190.3%
TCU	18.9%	19.7%	18.3%	9.5%	15,888,280	16,172,072	(283,791)	101.8%	1,516,227	2,964,655	(1,448,428)	195.5%
AFSCME	11.3%	10.3%	10.9%	6.2%	43,091,620	45,775,305	(2,683,685)	106.2%	2,675,714	4,984,004	(2,308,290)	186.3%
VCM												
TCU	20.4%	23.8%	24.1%	21.6%	5,997,058	5,443,106	553,952	90.8%	1,295,399	1,312,588	(17,189)	101.3%
AFSCME	9.3%	7.8%	11.4%	11.1%	962,895	1,069,748	(106,853)	111.1%	106,808	121,519	(14,711)	113.8%

*FY15 Actuals are double the FY15 mid-year actuals through December 31, 2014.

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➤ **Accounting**

a) An explanation of overtime overages, by bargaining unit and by discipline

The overtime cost for the TCU staff of the Accounting Department was over budget in FY15 because of the implementation of a new document imaging system with technical issues and TCU staffs' learning curve, and the shortage of TCU Accounting clerks resulting in a backlog of bills for the first and second quarters of FY15. The TCU staffs worked overtime to process bills and ensure timely payment to suppliers to minimize the risk of late fees, penalties, and interruption to operations.

b) An action plan to control overtime in FY16.

The document imaging system is now stabilized and the processing of bills is current (No backlog). Overtime for TCU staff should be within budget for FY16.

➤ **Revenue Collections**

Expenditure Type	FY15 Budget July/March	Expense July/March	Variance	Overtime Explanation	Recommendation
Non-Contract					
53131 DL NC-Normal Time	316,874.64	293,587.48	23,287.16	No Overtime used	N/A
Total	316,874.64	293,587.48	23,287.16		
As-Needed					
50132 DL NC-OT at 1 1/2-Base Rate	-	3,082.88	(3,082.88)	NC Overtime was charged to Rail Operation's Project and Task. The Overtime was used primarily during last year's USC Games, Rose Bowl and other major events, which were 10 to 12 hours days.	We could reduce Overtime by splitting the shifts into two shifts and prevent staff from going over 8 hours.
50134 DL NC-As Needed	-	152,606.09	(152,606.09)		
50183 OT NC at Time & 1/2-Prem	-	1,541.46	(1,541.46)		
Total	-	157,230.43	(157,230.43)		
TCU					
50161 DL TCU-Normal Time	1,420,947.71	1,289,407.27	131,540.44	We are currently 6 FTEs short in the Cash Room for the following reasons: 2 Workers Comp, 2 FML, 1 Medical Disability 1, vacancy. These short term vacancies had to be filled and are being covered with Overtime. Revenue staff had been tasked by Operations to support special events, including Long Beach Station Closure.. Overtime hours are spent to support these events.. Direct Labor is under Budget due to the vacancies and will offset the Overtime Budget exceeded.	Will work with Labor Relations, HR to cover the Special Event staffing with TCU As-Need staff.
50162 DL TCU-OT at Time & 1/2-Base	71,999.82	103,840.56	(31,840.74)		
50188 OT TCU at Time & 1/2-Prem	37,498.68	72,335.29	(34,836.61)		
Total	1,530,446.21	1,465,583.12	64,863.09		
AFSCME					
53115 DL AFSCME-Normal Time	190,817.04	150,196.00	40,621.04	AFSCME Overtime was used to cover Supervisor vacancies and some of this Overtime should have been charged to Rail Special Events projects. We currently have a Supervisor and a Relief Supervisor out on Medical and FML. Direct Labor is under Budget due to the vacancies and will offset the Overtime Budget that was exceeded.	We could reduce this Overtime by adding an addition Relief Supervisor for weekend coverage. We need weekend overlapping coverage to maintain a positive supervisory staffing level in the Cash Room.
53116 DL AFSCME-OT at Time & 1/2PTSC	-	9,164.79	(9,164.79)		
53117 OT AFSCME OT at Straight PTSC	14,796.00	-	14,796.00		
53189 OT AFSCME at Time & 1/2-PTSC	-	4,582.40	(4,582.40)		
Total	205,613.04	163,943.19	41,669.85		
Grand Total	2,052,933.89	2,080,344.22	(27,410.33)		

➤ **Communications**

Departments	Explanation	Plan
Customer Programs & Services	Per Operations request, provide sale of fare media at special events, such as USC games, events at Staples, LA Live, Marathon, New Years and other late night/weekend events.	Will continue to incur overtime as requested by Operations, since we have no mechanism to charge time to requesting department.
Customer Programs & Services	Increased volume of reduced fare media as a result of TCU arbitration agreement with Xerox to bring the work into Metro.	Overtime for TAP will continue due to the increased volume of work unless additional staff is added.
Customer Relations	Per Operations request, provide crowd control and routing information for bus bridge support and at special events, such as USC games, events at Staples, LA Live, Marathon, New Years and other late night/weekend events.	Will continue to incur overtime as requested by Operations, since we have no mechanism to charge time to requesting department..
Customer Relations	The increase in calls from customers with their planning needs to attend special events such as the Rose Parade, Marathon and CicAvia	Will continue to monitor and to control overtime.
Customer Relations	To cover staffing shortages due to unscheduled absences (LOA) and vacancies due to staff turnover/loss.	Will continue to monitor and to control overtime as a function of unscheduled absences (LOA) and vacancies due to staff turnover/loss.
Customer Relations	Incurred overtime due to insufficient staff resources needed to handle the increased volume of TAP customer calls in the TAP Call Center as a result of the TCU arbitration agreement	Overtime for TAP will continue due to the increased volume of work unless additional staff is added.
Print Shop	Request from Operations to the Print Shop for printing activities required due to the bi-annual shake-ups.	Print shop will continue to incur overtime due to bi-annual shakeup. No opportunity to outsource due to Union regulations.

➤ **Employee/Labor Relations**

TCU: (In the CEO roll-up chart, E/LR is responsible for all of the budget)

Custodial OT hours spiked in October 2014 and has been high since Metro assumed responsibility of work in the East Portal. High absenteeism due to FML, TOV and TOS, etc. among Custodians assigned to the Headquarters building has historically been high, but staff has managed to make due by minimizing activity on days with particularly high absenteeism. Since this strategy is not acceptable in the public areas of the East Portal, Patsaouras Plaza and parking garage (3Ps), which require constant cleaning attention every day, uncovered shifts are filled with overtime. We now estimate that 6 additional Custodian FTEs, plus two additional General Services Supervisor FTEs are required to eliminate overtime and properly staff and supervise cleaning of the 3Ps.

The TCU Maintainer crew was reduced during the FY10 reduction in force to the minimum size (5 FTEs) required to operate the building (Vehicle Pool, Conference Room Set-Ups, Minor Reconfigurations, Staff Moves, Furniture Delivery, etc.). TCU Maintainer OT reflects the high volume of major floor workstation reconfigurations that General Services has performed and will continue to perform to make room for staff added to Metro Departments. Building occupancy almost doubling since 1995. There are more major floor reconfigurations that require knock downs and build ups to squeeze more staff into smaller cubes. Also, as the agency has reorganized this has also required reconfigurations to accommodate floor changes and moves. Staff feels that additional Maintainer positions would be very helpful in reducing the OT as well.

ATU: (In the CEO roll-up chart, E/LR is responsible for all of the budget)

ATU overtime has increased as well due to the numerous projects General Services has going on within the building. The Building Renovation Plan; with an aging building and an FY12 approved Capital Project to renovate large building equipment, ATU has additional work. Since FY12 we have had major repairs to the 3rd floor ceiling and lighting, parking garage, domestic water pumps, generator, fire sprinkler investigation, restrooms/kitchens and plumbing, and complete replacement of the boilers and cooling towers. All these projects are in addition to the regular scheduled and unscheduled maintenance that comes up that is required. Even when contractors are completing the work, ATU “escorts” are here with them in the building which takes them away from their current work assignments. Additional projects have included, moving and constructing offices to move TAP into the building, In-house testing for Reg 4 (per labor agreement) and the Carpet project required additional OT (for both ATU and TCU).

AFSCME: (In the CEO roll-up chart, E/LR is responsible for approximately \$22K YTD Actuals in OT)

Lead Custodians assist with giving custodians work assignments and other tasks, including providing lead coverage when a supervisor is off. The AFSCME OT is attributable to the supervisors’ covering shifts for the Lead Custodians because we do not have enough Leaders to cover all times when Supervisors would otherwise be off, e.g., vacation or regular days off. They therefore work overtime when Leaders are out on vacations, sick, or leave.

➤ Information Technology

ATU Overtime in Information Technology Services

ITS uses ATU represented Systems Electronic Communication Technicians (SECTs) to provide 21 hour by 7 days per week maintenance coverage for Bus and Rail operations. In addition to maintenance coverage needs, Information Technology Services utilizes ATU technicians, SECTs and Digital Systems Technicians (DSTs) in compliance with the ATU contract to perform installations for all project management offices (PMOs), ticket offices, lost and found, and other facilities throughout the Metro region. This includes I405 HOV PMO, Purple Line Extension PMO, Exposition Phase II PMO, and Crenshaw LAX Regional Connector PMO, projects to centralize video viewing, the upgrade of Metro network and microwave equipment and to increase security surveillance. ATU technicians also provide USG and field audio-visual set-ups for public events and meetings. Projects and public events are both time critical and require us to provide support on their time table even when there are schedule conflicts and staff is inadequate. Overtime is the only contract compliant response to these time critical duties.

In 2010 the CMF systems shop had 9 techs on day-shift and 5 techs on night-shift, for a total of **14 SECTs**. Five years later, the systems shop has 8 technicians on days and 4 on nights, for a total of **12 SECTs**. During the same five year period the agency has increased the number of network systems and equipment that these technicians maintain. Consequently, it has been increasingly difficult to provide adequate service to the agency's network and communications equipment. Overtime is the primary response to this inequality of support staff supply and demand.

In order to properly maintain the agency's telecommunications and information systems, and to minimize using excessive overtime, the hiring of an additional 4 systems technician FTEs will reduce overtime because it would allow us to realign the USG and CMF (Field) shops in order to have 2 each two person installation crews, one in the field and another in USG. The addition of these technicians would allow the scheduling of Saturday day-shift staff as installation crews without reducing the existing Monday through Friday staff such that it creates the need for overtime to perform routine public address and other time critical tasks.

➤ **Vendor/Contract Management**

The V/CM unit is comprised of 149 union FTE's (almost all of which are eligible for overtime (OT) compensation) with the breakdown listed below. The majority of the OT budget for VCM is, understandably, for TCU staff activities.

Union	Position Title	FTEs
AFSCME	INVENTORY CONTROL SUPV	2
	MATERIEL SUPV	13
	Total for AFSCME	15
ATU	WARRANTY & EQUIP MECH	2
	WARRANTY & EQUIP MECH LDR	1
	Total for ATU	3
TCU	ASSIGNMENT COORD CLERK	1
	GENERAL CLERK	2
	MANPOWER/PAYROLL MATRL CLERK	2
	MATERIEL CONTROL CLERK	6
	PURCHASING CLERK	3
	RECEIVING CLERK	6
	SR TRUCK DRIVER/CLERK	2
	STOCK CLERK	75
	STOREKEEPER	30
	TRUCK DRIVER/CLERK	3
	UTILITY A/TCU	1
	Total for TCU	131
VCM Union Total	149	

Overtime has consistently remained between 20-25% of Normal time spending for TCU and 7-11% for AFSCME for the last three fiscal years per OMB provided analysis. In FY11, Logistics took over the operation of the bus storerooms. Prior to that, the bus storerooms were under the control of the Maintenance Department. As a result, Logistics inherited all of the overtime (OT) expenditures. The reason for the OT usage for the last three fiscal years are listed below:

- At all bus storerooms and rail warehouses there is mandatory 24/7 coverage to support Maintenance. Whenever a shift is vacant due to time off (i.e. Floaters, vacation, sickout etc.), the shift is covered with overtime, if an Authority Relief Pool Clerk (ARP) is not available.
- Sunday 1st shift at all bus storerooms are vacant and this shift is covered with OT.
- The last two fiscal years OT has been used for the installation of the high density material storage equipment at the bus storerooms.

The approval of positions within TCU (six stock clerks) in November 2014 (Board Report 49) will aid in keeping overtime costs within approved levels for FY16 since, while OT is still necessary to manage unplanned activities, these positions have created a relief day shift to provide additional service to Bus Operations. These additional clerks aid storekeepers in the day-to-day activities of servicing Operations,

allowing the storekeeper to concentrate on the administrative duties of managing a storeroom as well as working with Material Planning in optimizing the inventory. As a result of these additional stock clerks, VCM Logistics Management has already seen a reduction in OT for the third quarter of FY15 and expects for this trend to continue. The majority of the vacant Sunday day shift positions as listed above are now being covered by the ARP. The ARP's are assigned on a weekly basis to cover known vacancies. Furthermore, the approval of additional contract positions within TCU (three Storekeepers, one Truck Driver, nine Stock Clerks) in the July 2014 (Board Report 46) to be dedicated to Expo and Gold Line 2 expansions should also keep overtime costs within established budgetary levels for FY16 since respective staff is dedicated to Supply Chain Management functions supporting these projects. In order to effectively track and plan staffing efforts, VCM Executive staff have internal reports which are generated monthly to track, manage, and strategically plan overtime. The attached report is used to monitor OT expenditures for the clerks in Logistics for example. The one caveat to report going forward regarding controlling overtime costs is that if the Division 13 issue is not resolved, whatever requests received relating to Division 13 will need to be covered by overtime.

➤ Operations

ISSUE

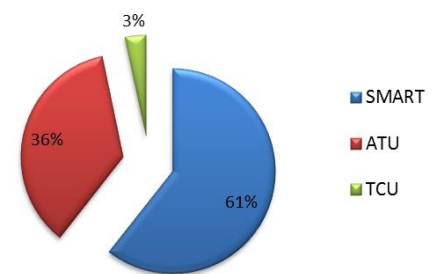
During fiscal year 2014, the Operations Department spent \$76 million on overtime, which was \$15 million or 19 percent more than budgeted. Overtime accounted for 18 percent of total labor expenditures for the department. In fiscal year 2015, the department developed and implemented some control measures to efficiently address the use of overtime. Moreover, Operations is working internally and with other Metro departments to address issues that impact the use of overtime.

BACKGROUND

The Operations Department is responsible for the delivery of 7.06 million bus service hours, 1.09 million rail service hours and the maintenance of 2,364 buses, 275 rail vehicles, 15 operating divisions and a myriad of other equipment and facilities with more scheduled to open in FY16. Traditionally, overtime has been a deliberate budgetary choice by Operations to maintain service levels without increasing actual FTEs.

The chart to the right shows a breakdown of the overtime expended through March 2015 by bargaining unit. SMART and ATU, whose employees are the force behind daily service delivery to our customers account for the majority of the overtime within the Operations Department.

FY15 YTD March 2015 Actual



Factors that contribute to the use of overtime cannot always be budgeted for or addressed using regular time. Examples of these circumstances include the backlog of capital overhauls for major components on rails cars at each rail division, the use of bus bridges for accident support, unforeseen maintenance issues that impact service delivery, like the recent Gold Line catenary repairs, citywide events and construction support.

Additionally, the department is facing the challenge of opening new rail divisions in support of rail service expansion, unbudgeted use of bus bridges in support of the Blue Line Station Refurbishment project, unplanned support of contract work for the Rail Midlife Program and Reg-4 Testing. State of Good Repair work has steadily increased as the facilities and equipment continue to age and require more attention.

In order to minimize the impact of some of these issues, the Operations department has employed strategies, such as the backfilling of contract personnel vacancies, eliminate working through lunches, increased leader wrench turning time and eliminated leader overtime for shop shift planning. Moreover, the maintenance department has addressed the “Top 100” overtime offenders and has ensured that overtime is being distributed equitably among qualified employees as per the union contract.

NEXT STEPS

To further address this issue, the Operations department has identified other measurements that will be used to develop a comprehensive overtime management plan and, if appropriate, will submit a business case for an increase to FTEs, overtime budget or both. Specifically, staff will work to finalize the following action items in support of addressing issues that impact the use of overtime: formalize labor models for all ATU job classifications, reinforce the importance of departmental accountability for the Operations approved budget through continuous performance reviews with OMB, continuously evaluate the agency workload by functional areas to ensure that workloads are valid and resource allocations are appropriate and cost-effective (cost benefit analysis) and lastly, staff will determine the impact of employees absences by closely monitoring FMLA and Worker's Compensation, new workload requirements and turnover rates for specific overtime group recipients.

ATTACHMENTS – Available electronically upon request

- A. FY15 - FTEs/Labor Expenditures (SMART, ATU & TCU)
- B. Historical OT Consumption Hours by Department
- C. ATU and TCU Labor Contract Provisions

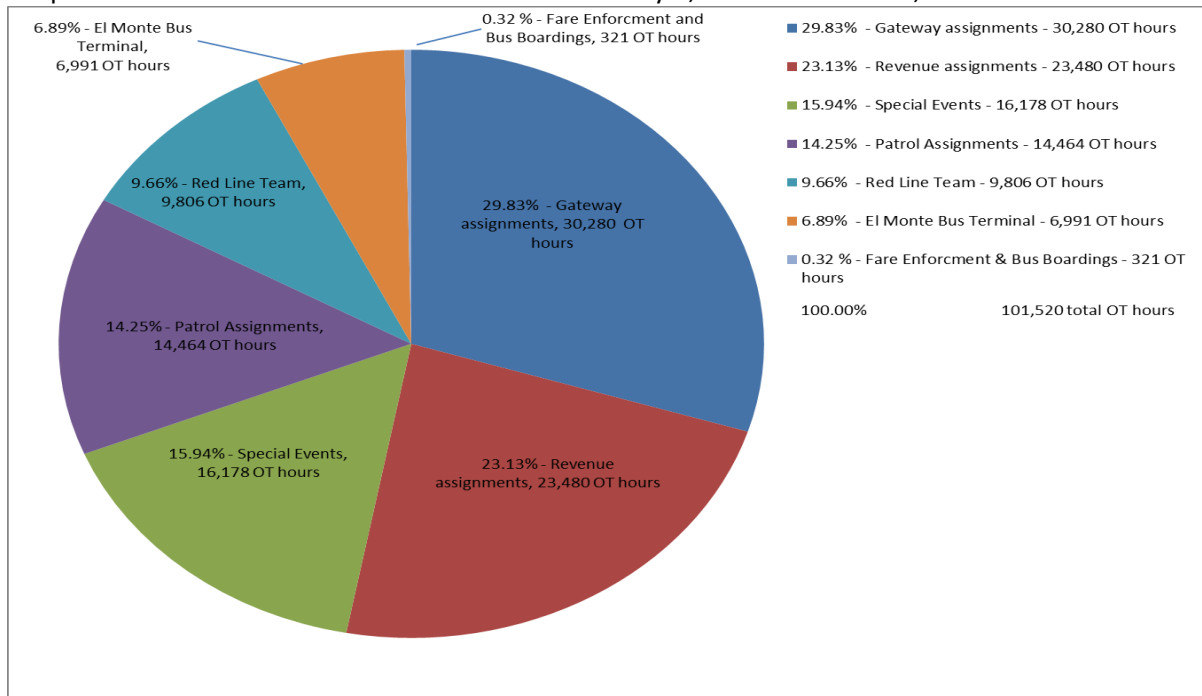
➤ **Los Angeles Metro Protective Services (LAMPS)**

The FY13-FY15 overtime variance for Teamsters and AFSCME are due to the following, but not limited to:

- Increase security assignments requested by other Metro Departments;
 - Special Events (Increase 30%-40% over the last two years)
 - El Monte Bus Terminal
 - Board Room Assignments
 - Bus Bridges Support
- Attritions, Family Medical Leave, TOWP, and/or Injured-While-On-Duty;
- Fare Enforcement and Bus Boardings Deployments
- Increase Revenue Assignments
- Additional Patrol Assignments (Parking lots, Union Station, Facilities)
- Additional Rail Services including (BHU) Bill Handling Units & (CHU) Coin Handling Units
- New Rail Lines
- Pop up Media events

Staff has provided a sample of the overtime allocations (Graph 1 Teamster and AFSCME Overtime Hours for July 1, 2013 to March 13, 2015 based on the above assignments described.

Graph 1 Teamster and AFSCME Overtime Hours for July 1, 2013 to March 13, 2015



Source: Metro Security Roll-Out

Each of these assignments are described below for general overview and perspective to understanding the level of work involved and the impact it has when additional assignments are added:

Gateway Assignments

- Provide 24 hour infrastructure security for the Metro Headquarters building.
- 24 hour staffing of the Metro Transit Security Dispatch center.
- Respond to calls for service at the entire Union Station complex.
- Provide security coverage for all board room meetings, Metrolink meetings, and third party vendors' special meetings.
- Support the threat assessment team in Metro Labor Relations hearings.
- Provide security coverage at Metro Transit Court.

Revenue Assignments

- Provide security coverage for Location 29, Metro's cash counting facility.
- Provide security escort for TVM installation, maintenance, and upgrades.
- Provide coverage at special events, portable fare media (aka "Turkey Smokers").

Special Events includes:

- Bus bridges. This is the repair/modification of all rail lines and involves the transport of patrons from one station to another around the affected area via buses.
- USC Football games.
- Concerts such as The Cornfield - Chinatown Station and the Day of the Dead - Mariachi Station.
- Parades such as the Rose Parade and the Christopher Street West Parade.
- The Long Beach Grand Prix.
- Various movie shoots at Metro facilities, Board meetings, marathons, and the grand openings of new stations.

Patrol Assignments

- Evening and early morning escorts of facility maintenance personnel at all rail stations.
- Patrol of rail lines for parking enforcement and crime deterrence.
- Patrol all Metro divisions, rail stations, and other Metro property.
- Provide security for Metro Park and Ride facilities.

Red Line Team

- Open and closing of all Red Line stations.
- Provide security sweeps of platforms, trains, and tunnels.
- Write citations based on Metro's customer code of conduct.
- Write fare enforcement citations.
- Respond to calls for service from Rail Operations Control and Metro personnel.
- Proactive patrol of all Red Line stations.

El Monte Bus Terminal

- Provide security coverage and patrol of this facility.
- High visibility foot patrols.
- Bus boardings and respond to bus operation requests for assistance.

Fare Enforcement and Bus Boardings

- A new program in which Transit Security Officer I's board buses and trains to check for fares.
- Escorted by Transit Security Officer IIs.

To provide a comparative financial perspective with the anticipated FY15 overtime variance as described by OMB, below is a comparison of the overtime variance analysis performed in FY 12 with the anticipated overtime variance performed by OMB for FY 15: