Agenda – Executive Policy Committee – May 22, 2024

Report – Standing Policy Committee on Community Services – May 8, 2024

Item No. 2 WFPS Overtime Mitigation Strategy

STANDING COMMITTEE RECOMMENDATION:

On May 8, 2024, the Standing Policy Committee on Community Services did not concur in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the overtime mitigation plan, as outlined in the report of the Winnipeg Public Service, not be concurred in, and received as information.

2. That the Standing Policy Committee on Community Services place on record its appreciation for the ongoing diligence and work of the Winnipeg Fire Paramedic Service management.

Agenda – Executive Policy Committee – May 22, 2024

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DECISION MAKING HISTORY:

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ADMINISTRATIVE REPORT

Title: WFPS Overtime Mitigation Strategy

Critical Path: Standing Policy Committee on Community Services – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
S. Wilkinson	C. Schmidt	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

The 2024 budget includes a $3.0 million expenditure management target for the Winnipeg Fire Paramedic Service (WFPS). This can only be found within the Fire Service as Emergency Medical Service (EMS) is fully funded by Shared Health.

Salary costs represent 86 percent of total expenditure. As such, the only way a cost saving of this magnitude can be achieved year-over-year is through a reduction in staff numbers. The 2024 firefighter recruit class is already underway which means the option to permanently delete firefighter positions is no longer available.

The remaining option is to reduce overtime expenditure throughout 2024 by temporarily removing fire apparatus from active service when there are less than 167 full time equivalents (FTE) available.

The option creates operational risk depending on the number/severity of fire events that may occur. As a result, this is not recommended from an operational perspective, but is the only way a cost saving of $3.0 million can be achieved in 2024.

RECOMMENDATIONS

1. This report be received as information.

REASON FOR THE REPORT

The Fire Paramedic Services wishes to be transparent and ensure Council awareness of the impact of any response changes required by budget direction.

IMPLICATIONS OF THE RECOMMENDATIONS

This fire apparatus removal strategy will reduce overtime costs and therefore help to minimize over-expenditure in 2024.

There will be operational impact to fire response, fire training and fire resource availability. This will arise mostly in the areas where apparatus are removed from service and therefore may negatively impact response times.

The schedule for the temporary removal of apparatus from service when less than 167 FTE are available:

Unit	Station	Location
Ladder 16 (L16)	Station 16	1001 Mcgregor
Engine 5 (E5)	Station 5	845 Sargent
Squad 1 (SQ1)	Station 1	65 Ellen
Engine 15* (E15)	Station 22	1567 Waverley
Engine 19 (E19)	Station 19	320 Whytewold

*E15 will be removed/replaced when the new modular station is operational in November 2024 in Waverley West

Removal sequence in detail:

Personnel Shortage	Unit(s) Removed from Service
-1	L16
-2	L16
-3	E5
-4	E5
-5	E5, L16
-6	E5, L16
-7	E5, L16, SQ1
-8	E5, L16, SQ1
-9	E5, L16, E15
-10	E5, L16, E15
-11	E5, L16, E15, SQ1
-12	E5, L16, E15, SQ1
-13	E5, L16, E15, E19
-14	E5, L16, E15, E19
-15	E5, L16, E15, E19, SQ1
-16	E5, L16, E15, E19, SQ1

Reductions in excess of 16 FTE will result in overtime call-in as further removal of apparatus from service would cause substantial loss of response coverage and resulting safety issues.

This strategy closely mirrors the apparatus removal sequence that was utilized during the COVID-19 pandemic, when staff numbers available to work were significantly impacted due to illness.

HISTORY/DISCUSSION

The 2024 budget includes an expenditure management target of $3.0 million for Winnipeg Fire Paramedic Service (WFPS). Expenditure management can only apply against Fire Service costs as EMS costs are fully funded by Shared Health.

Salary costs represent 86 percent of total expenditure. This means any ability to achieve a $3.0 million cost saving, year-over-year, can only be through a reduction in staff numbers.

The Department operates with a staffing ratio, which means a higher number of staff are employed to ensure the minimum staff complement is available for each shift. A minimum staffing number of 167 Full Time Equivalent (FTE) per shift is required to operate all apparatus. The Fire Service utilizes a staffing ratio of 1.29 (meaning an additional 0.29 FTE is employed for each position required), and therefore employs 216 FTE per shift. The difference of 49 FTE is intended to cover all absences. When more than 49 FTE are absent, the department will call in staff on overtime to provide coverage.

In February 2024 a firefighter recruit class commenced in order to offset retirements that are expected in 2024 and to provide a temporary increase in staffing numbers in advance of the summer vacation period. This means a reduction in staffing cannot be achieved in 2024 as terminating employment of the last-in firefighters who are currently in training would be disingenuous and would contribute to ongoing, increasing overtime costs.

In order to achieve this level of saving in future years, the Department would likely not run a 2025 recruitment and permanently remove approximately 24 firefighter positions and apparatus from operational duty.

For 2024, the Department is proposing a moratorium on overtime as a way of reducing the likely over-expenditure. While it is not expected this action will achieve a $3.0 million reduction on budget – the Department annually seeks over-expenditure approval because of overtime cost – it will reduce the size of the over-expenditure request.

The overtime variance to budget over the past six years shows the gap between budget and actual cost:

	2018	**2019**	**2020**	**2021**	**2022**	**2023**
Overtime budget	0.9m	1.8m	2.1m	2.3m	2.3m	2.4m
Overtime cost	2.0m	3.5m	6.7m	7.8m	9.9m	6.6m
Variance to budget	***-1.1m***	***-1.7m***	***-4.6m***	**-5.5m**	***-7.6m***	***-4.2m***

The WFPS has experienced a steady growth in employee absence due to Workers Compensation Board approved injuries over the last five years. This was further exasperated by the COVID-19 pandemic and its ongoing effects in keeping staff out of the workplace when experiencing influenza like illness. This is crucial for preventing the spread of the virus to patients and colleagues.

The return-to-work program undertaken by the Department seeks to return staff to the workplace at the earliest opportunity when it is safe for them to do so. This is a crucial mitigator of overtime and ensures the maximum number of staff remain available for active duty.
The Department proposes that, dependent on the number of staff shortage on any shift, one or more fire apparatus be removed from duty for that shift. This does reduce the fire coverage available and therefore does have some risk dependent on the number and/or severity of fire events. As a result, this is a not a recommended strategy from an operational perspective, but is the only way a cost saving of $3.0 million can be achieved in 2024.

FINANCIAL IMPACT

Financial Impact Statement

Date: April 5, 2024

Project Name:
WFPS Overtime Mitigation Strategy

First Year of Program **2024**

	2024	2025	2026	2027	2028
Capital					
Capital Expenditures Required		$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs		-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	(3,000,000)				
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ (3,000,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(3,000,000)				
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The FIS reports the total saving target for expenditure management purposes as set out in the adopted 2024 budget. The actual result will depend on the level of absence experienced throughout the remainder of the year and the frequency that overtime call in is required to maintain shift strength. The department will update Committee on progress towards the $3.0m reduction later in the year as part of the expected over-expenditure request.

John Hall FCMA, CGMA
Financial Controller
Fire Paramedic Service

CONSULTATION

This Report has been prepared in consultation with: N/A

OURWINNIPEG POLICY ALIGNMENT

Consideration was given as to whether this report connects to the OurWinnipeg Policy, and it was determined that the OurWinnipeg Policy is not applicable to this specific report.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Winnipeg Fire Paramedic Service
Division: Fire Rescue Operations
Prepared by: S. Wilkinson
Date: April 5, 2024