

Austin Fire Department Overtime Audit



Objective

Determine if overtime decisions at the Austin Fire Department (AFD) are managed and tracked to ensure cost effectiveness. Specifically:

- How AFD tracks their overtime usage
- How AFD assigns overtime to their employees
- Whether AFD's overtime decisions are cost-effective for the City of Austin

Background

Most of AFD's annual budget goes toward fire/emergency services, which involves responding to fires, medical events, and other safety-related incidents. AFD's Operations Division works 24-hours a day, 365 days per year.

When firefighters are unavailable to work their assigned shift, AFD has to find replacements, and this may require paying overtime. AFD has spent at least \$10 million on overtime every year since Fiscal Year (FY) 15. AFD's overtime expenses peaked at about \$21 million in FY17 and is predicted to exceed \$20 million in FY22.

What We Found

How does AFD track overtime usage?

AFD's financial staff use a program called Qlik Sense to track and monitor their financial information, including overtime expenses. In FY21, AFD leaders began to meet regularly to review this data and discuss expenditures.

AFD's Overtime Expenses Since FY15



Source: Analysis conducted by external contractor, 2022

How does AFD assign overtime?

AFD created an online system to assign overtime, which follows overtime rules in the Collective Bargaining Agreement (CBA) and AFD policy, by:

- Prioritizing firefighters who volunteer for overtime on their Kelly Day, a paid day off included in each firefighter's schedule.
- Ranking all other volunteers based on their estimated hourly pay rate.

The system considers several other factors, such as how many overtime hours each firefighter has worked. These exceptions aim to ensure firefighters have adequate rest between shifts and that firefighters with required certifications are on duty for each shift.

Are AFD's overtime decisions cost effective?

AFD's overtime decisions flow from CBA rules and AFD's overtime policy, and they appear cost-effective.

We found one instance involving firefighters' Kelly Days in which AFD's overtime rules could lead to higher overtime costs, but we do not believe this is a significant driver of overtime expenses.

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Additional Observation

To reduce overtime costs, AFD and the City would need to address the factors leading to overtime. Specifically, AFD and the City could lower overtime costs by reducing the number of positions that must be staffed each day and/or by increasing the number of firefighters available to work. However, these factors are complicated and require additional analysis.

Reducing the daily number of positions AFD must staff by lowering mandatory staffing levels or the number of units in operation

Mandatory staffing levels

In 2018, [City Council passed an ordinance](#) that mandated four-person staffing for all firefighting units. This ordinance referenced several criteria that indicated four-person crews were better at completing tasks related to structure fires. However, we found that between FY19 and FY21, only about 1% of AFD's calls were for structure fires, and multiple units, each with at least four firefighters, responded to the vast majority of these calls.

A detailed analysis of the factors that lead to overtime at AFD is beyond the scope of this audit. As a result, this additional observation is included for information purposes only. None of the information below represents audit conclusions or recommendations.

Firefighting units in operation

Likewise, reducing the number of firefighting units in operation each day would mean fewer positions that AFD would need to staff. This could include reducing the availability of limited-service units or by consolidating and relocating fire stations to serve the same areas with fewer units

However, both of these actions have their own risks and costs.

Increasing the number of firefighters available to work each day by increasing AFD's baseline staffing level or by ensuring more firefighters are available for their shifts

Baseline staffing level

Overtime costs are higher when there are more vacancies. A [May 2022 memo to City Council](#) reported that AFD had over 100 vacant positions. AFD plans to nearly eliminate those vacancies by the end of FY24. However, AFD may be underestimating the number of future vacancies and the time it will take to fill them.

Firefighters available for their shift

AFD could reduce overtime costs by reducing the amount of leave used. We found:

- Vacation leave and sick leave are the two biggest categories of leave used.
- Firefighters took sick leave at a higher rate on weekends than on other days of the week. This may indicate firefighters are using sick leave instead of vacation leave, which AFD can better plan for.
- Any actions by AFD to reduce the use of injury/accident leave and improve recovery times when they occur, would also increase the number of firefighters available to work their shifts and reduce overtime.

However, AFD may have limited ability to lower the leave used by their firefighters.