SUBJECT: Transit Complement Adjustment (PW07131) - (City Wide)

RECOMMENDATION:

That an increase in the Transit Division complement of nine Bus Operators from the current 385.3 to 394.3 and an increase of two Automotive Mechanics from the current 40 to 42 with the understanding that there will be no budget implications be approved.

EXECUTIVE SUMMARY:

A key outcome of the prior round of collective bargaining negotiations between the City and the Amalgamated Transit Union was the harmonization of the former HSR Income Protection Plan (IPP) with the rest of the City. The program by design provides a better benefit than the former HSR plan. Sufficient funding was provided for in the Transit budget, however, a complement adjustment has not been requested until now to allow staff to determine through experience the additional staffing requirements. Historical experience now demonstrates the requirement for nine additional Bus Operators and two additional Automotive Mechanics.

Circumstances in the Transit program, for Bus Operators and Mechanics, are different than in the majority of the rest of the City in that when Bus Operators and Automotive Mechanics are absent from work they must be replaced to maintain Council approved service levels. During this period committed service levels have been maintained through the use of a combination of overtime variance and periodic staffing over complement.
BACKGROUND:
N/A

ANALYSIS/RATIONALE:
The outcome of the last round of collective bargaining resulted in harmonization of the ATU Income Protection Plan (IPP) with the City. Subsequently, $600,000 representing the estimated increase in the cost of the IPP plan was added to the Transit base budget with no adjustment in complement. The approximate cost for nine Bus Operators is $485,000 and two Automotive Mechanics is $134,000 (benefits included) for a total of approximately $619,000.

The Transit Division is somewhat unique to the rest of the Corporation in that the program has Council approved service levels in the form of annual service hours. The service hours are then converted to a required complement.

Staff has been meeting approved service levels predominantly through overtime and which has consistently been in negative variance. The negative overtime variance, though, has been offset by base wage gapping resulting in a balanced employee related cost budget.

Overall, for 2007, Employee Related Costs, including base wages and benefits, sick pay, overtime variance and budgeted overtime are forecasted to balance.

For 2008, the complement adjustment will result in elimination of the overtime variance, a base transfer of a portion of the budgeted overtime to base wage and consolidation of the Sick Pay and Base Wage accounts, with no change in the overall Employee Related Costs budget associated with this adjustment.

There is currently a pool of candidates ready for the final interview stage of the hiring process. Should Council approve the Staff recommendation, the interview process will begin immediately with the new staff hired prior to year end. The 2008 budget will be submitted to reflect these changes in complement.

ALTERNATIVES FOR CONSIDERATION:
This report recommends increasing the complement of Transit Bus Operators and Transit Automotive Mechanics in order to sustain current Council approved service levels in the alternative to the current practice of overtime assignment.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:
As per the following table, a budget base transfer will reallocate existing base within the Transit budget to accommodate the increase in FTE.
Financial

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>2007 Approved Budget</th>
<th>2007 Base Adjustment</th>
<th>2007 Revised Budget</th>
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</thead>
<tbody>
<tr>
<td>Wages</td>
<td>17,082,930</td>
<td>619,000</td>
<td>17,701,930</td>
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<tr>
<td>Wages - Overtime</td>
<td>408,120</td>
<td>(19,000)</td>
<td>389,120</td>
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<tr>
<td>Sick Pay</td>
<td>600,000</td>
<td>(600,000)</td>
<td>-</td>
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<tr>
<td>EMPLOYEE RELATED COSTS</td>
<td>18,091,050</td>
<td>-</td>
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</tbody>
</table>

Staffing

**IMPACT OF NEW IPP**

**TRANSIT SICK DAYS OF 5 DAYS OR LESS**

<table>
<thead>
<tr>
<th>Years</th>
<th>Admin</th>
<th>Fleet</th>
<th>Oper</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>83</td>
<td>162</td>
<td>822</td>
<td>1,067</td>
</tr>
<tr>
<td>2006</td>
<td>82</td>
<td>472</td>
<td>1,713</td>
<td>2,268</td>
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<tr>
<td>2007 *</td>
<td>63</td>
<td>458</td>
<td>1,861</td>
<td>2,382</td>
</tr>
</tbody>
</table>

* 9 Months actual plus 4th qtr 2006

There are no legal implications.

**POLICIES AFFECTING PROPOSAL:**

Council’s authorization to increase staff complement.

Public Works Strategic Plan - Complies with Public Works Strategic Plan Goal 4. Work is undertaken at approved service levels within budget. Staffing complement is maintained at approved levels to avoid unnecessary overtime or service cancellations.

**RELEVANT CONSULTATION:**

Corporate Finance & Administration, Public Works Finance & Administration, Human Resources.

**CITY STRATEGIC COMMITMENT:**

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

- **Community Well-Being is enhanced.** ☐ Yes ☑ No
- **Environmental Well-Being is enhanced.** ☐ Yes ☑ No
- **Economic Well-Being is enhanced.** ☑ Yes ☐ No

Scarce economic resources are being expended in the most effective manner.

**Does the option you are recommending create value across all three bottom lines?** ☐ Yes ☑ No

**Do the options you are recommending make Hamilton a City of choice for high performance public servants?** ☑ Yes ☐ No

Supports City’s commitment to work life balance.