



CITY OF KIRKLAND

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MEMORANDUM

To: Kurt Triplett, City Manager

From: Joe Sanford, Fire Chief
 Bill Newbold, Deputy Fire Chief
 Ryan Woodey, Deputy Fire Chief
 Maggie Eid, Chief Administrative Officer
 Michael Olson, Director of Finance and Administration
 Kevin Pelstring, Interim Financial Planning Manager
 Veronica Hill, Interim Financial Planning Supervisor

Date: September 23, 2024

Subject: **FIRE OPERATIONS OVERTIME**

RECOMMENDATION:

Staff recommends that Council receives an update on Fire Operations Division overtime.

EXECUTIVE SUMMARY:

Fire Operations Division overtime, generated by staffing for fire suppression and emergency medical response service calls and preparedness activities, is reviewed on an ongoing basis and reported out to Council in monthly dashboards. Ninety-two percent (92%) of the International Association of Fire Fighters (IAFF) membership work in the Fire Operations division and this issue paper substantially focuses on Fire Operations. This issue paper reviews and assesses the primary drivers contributing to the generation of overtime. Further, staff analysis develops recommendations of specific strategies to provide for increased efficiencies in service delivery and cost containment. The issue paper will review prior recommendations and progress made and provide recommended next steps for continued progress in the next biennium. Change in actual overtime incurred shows a downward trend this biennium from a peak high in 2022 as shown in Table 1 below:

Table 1. Fire Operations Overtime Costs (Excludes Mobilizations)

	2020	2021	2022	2023	2024 Est.
Overtime	\$1,784,274	\$1,957,764	\$2,664,112	\$1,774,237	\$1,896,017
	% chg	10%	36%	-33%	7%

In 2023, the Department was authorized to hire 11 additional overhire positions in anticipation of attrition from retirements and to fill existing vacancies. The impact of this approval was a reduction in overtime. Staff continues to monitor this trend to understand whether this can be expected going forward.

BACKGROUND:

Overtime has always been a function of the provision of fire suppression and emergency medical services. The reasons are many and varied. What continues to be at question is whether or not there is an optimum level that would be expected, given minimum staffing, level of service, changes in calls for service, required training, and the operational business model.

Fire and EMS Levy Proposition 1: Fire Station Renovations/New Construction



Groundbreaking



Grand Opening

Fire Station 27 replacement was completed and began operations on May 11, 2024. It is the City's busiest fire station and houses the department's only ladder truck. Most importantly, it becomes the second fire station located east of I-405, providing increased capability of response, especially during a catastrophic event that could make crossing I-405 impassible.

The adopted 2023-2024 Budget included the approval to add new training facilities at Fire Station 24. These training facilities will include structures that simulate the types of residential structures, such as multiple-level, multi-family units, being built throughout the City. The ability to train in structures that mirror the communities served benefits the Department and enhances the capability to respond to incidents. Location within the city minimizes downtimes of personnel and the necessity for overtime backfill and supports responses by KFD personnel versus reliance on other jurisdictions that would experience longer travel times to calls.

Additional information on the changes to the level of service funded by Prop 1 can be found on the [City's Prop1 webpage](#).

Fire and EMS Levy Proposition 1: Staffing

The Fire and Emergency Medical Services Proposition 1 (Prop 1) ballot measure passed on November 3, 2020, authorizing a single permanent levy lid lift to fund both operating and capital ballot measure elements. The measure's operations element provided funds to hire 20 additional full-time equivalent (FTE) firefighters/emergency medical technicians (EMTs). During this biennium, the remaining 5 FTEs were hired, which completed the hiring of 20 additional FTE provided by the Prop. 1 ballot measure. In October 2023, the Department increased the minimum staffing by one position from 23 to 24.

Fire Operations Structure

The Fire Operations Division is now staffed at a total of 114 FTE and operates using three shifts (A/B/C). Each operations shift is 24 hours, beginning and ending at 7:00 a.m. Two 24-hour shifts are worked consecutively to produce a 48-hour work period, followed by four consecutive days off-duty; this cycle then repeats. An example two-week period from June 13th to June 26th is shown in table 2 below. Shift A works from 7:00 am on Sunday the 16th until 7:00 am on Tuesday the 17th, at which point shift B takes over, and so on.

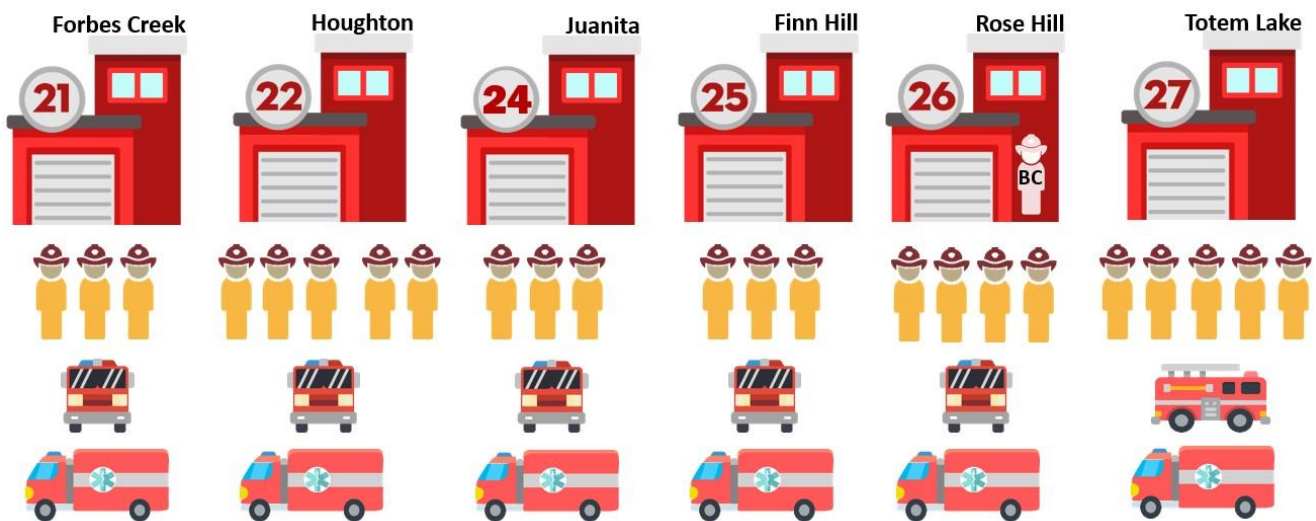
Table 2. Two-Week Period

JUNE						
S	M	T	W	Th	F	S
16	17	18	19	20	21	22
23	24	25	26	27	28	29

A SHIFT - B SHIFT - C SHIFT

The Department is now at increased daily minimum operations staffing of 24 personnel (24x7x365). There are now 38 firefighters assigned to each shift. This increase is made up of three-person jump crews at Stations 21, 24, and 25, a four-person crew at Station 22, and five-person crews at Stations 26 and 27. Jump Crews operate one apparatus at a time, meaning the other apparatus is unavailable for response. Stations with a staffing level of five firefighters will have staffing for both an engine or ladder and an aid car. The Battalion Chief continues to operate from Station 26. This position supervises all fire stations and personnel on duty and is a stand-alone supervisory/command response unit. The operations staffing model implemented in October 2023 is shown in the table below:

Table 3. Operations Staffing Model



DISCUSSION/ANALYSIS:

Leave and Other Impacts on Overtime

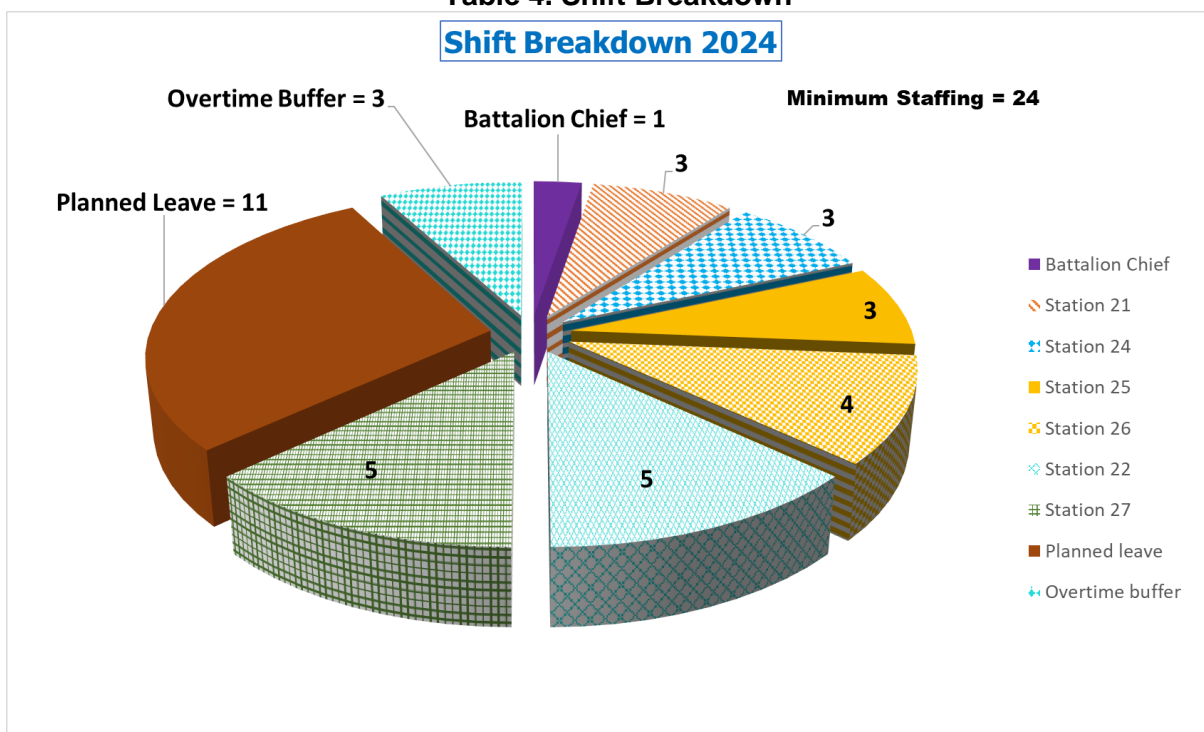
The requirement for minimum staffing in fire departments creates the possibility of overtime, when considering the ratio of total staffing, allowable leave, required training, and minimum staffing. The Department uses the term “slots” in reference to its operational business model of 24/7 coverage across six fire stations. This includes minimum staffing and accounts for several leave types. As Table 3 above indicates the number of on-shift slots at each station, and additional slots are needed for leave and training coverage which results in more than the minimum staffing on shift. For example, as there must always be 24 personnel on shift, inclusive of company officers (those in charge at each station), and a Battalion Chief, each personnel absence brings the total number of staff available closer to the daily minimum requirement. There are a wide variety of work absences, which are broadly broken down (by department policy and the labor contract) into two categories:

1. **Planned Leave** – vacation, holiday, and ‘Kelly Days’¹
2. **Other Leave & Vacancies** –
 - a. **Overtime-causing leave** -including sick leave, Family Medical Leave Act (FMLA), Paid Family Medical Leave (PFML), on or off duty injury, light duty, training backfill, and other leaves which are not part of the bidding process
 - b. **Vacancies** – unfilled positions
 - c. **Emergency Response Mobilizations**

Table 4 below, shows the distribution of slots by station to meet minimum staffing and the additional slots also scheduled on-shift to accommodate leave coverage. These slots, also known as “floater” slots, will work at the station in need of coverage. This helps ensure that firefighters can take planned leave contractually provided for during the year. The “Overtime Buffer” slots are intended to help with coverage of unplanned leaves that often cause overtime.

¹ Kelly Days are common in fire departments. This leave type provides for additional time off to ensure a shift structure remains compliant with the Fair Labor Standards Act (FLSA) guidelines governing overtime. In the case of Kirkland, each firefighter receives two Kelly shifts off after every six scheduled sets (48-hr set). This makes work hours no more than 48 hours per week on an average annual basis.

Table 4. Shift Breakdown



1. Planned Leaves

Planned Leave is best described as those leaves, established by contract, that fire personnel determined during an annual bidding process that is built into the work schedule. Given the current operational business model, based on a fully staffed shift of 38, 11 of the 14 coverage slots are allotted as planned leave. These are split between Kelly Days, vacation days, and holidays. Personnel bid for Kelly Days annually, with a maximum of 6 personnel away on Kelly leave each day. Once Kelly Days have been issued there is a process of vacation and holiday bidding. Following this bid either all 11 slots are taken on a certain day, or the remainder are available for ‘routine’ vacation, which can be used as needed any time there is a spare planned leave slot.

Kelly Days fall on the same two days throughout the year for each individual. For example, if a firefighter bids and receives Saturday and Sunday, they would be off each time their shift rotation would have them working Saturday and Sunday (shift A on the June 19/20 in the example shown above). As there are a maximum of 6 slots per day, this gives 42 slots per week. Historically, all slots tend to be taken around the weekend, with fewer in midweek. Because Kelly shifts are the same two days throughout the year, there is no seasonal peak.

The second planned leave is vacation, which does have a clear seasonal trend. The lowest amounts are taken in winter and early spring, with peaks in July and December. Vacation days are also based on a bidding process completed at the start of the year, and the maximum number of slots available each day is 5. After the bidding process is complete, personnel can use their vacation time for any shift which has available slots.

The final type of planned leave is holiday leave. Because fire stations must be staffed each day of the year, personnel are required to work their regular shift regardless of whether that day falls on

a holiday. In recognition of this, personnel are given 130 hours per year in lieu of having holidays off, which can either be used or cashed out. Holiday leave can be taken when there is an available planned leave slot or as part of the regular bidding process.

Table 5. Average Number of Staff on Planned Leave

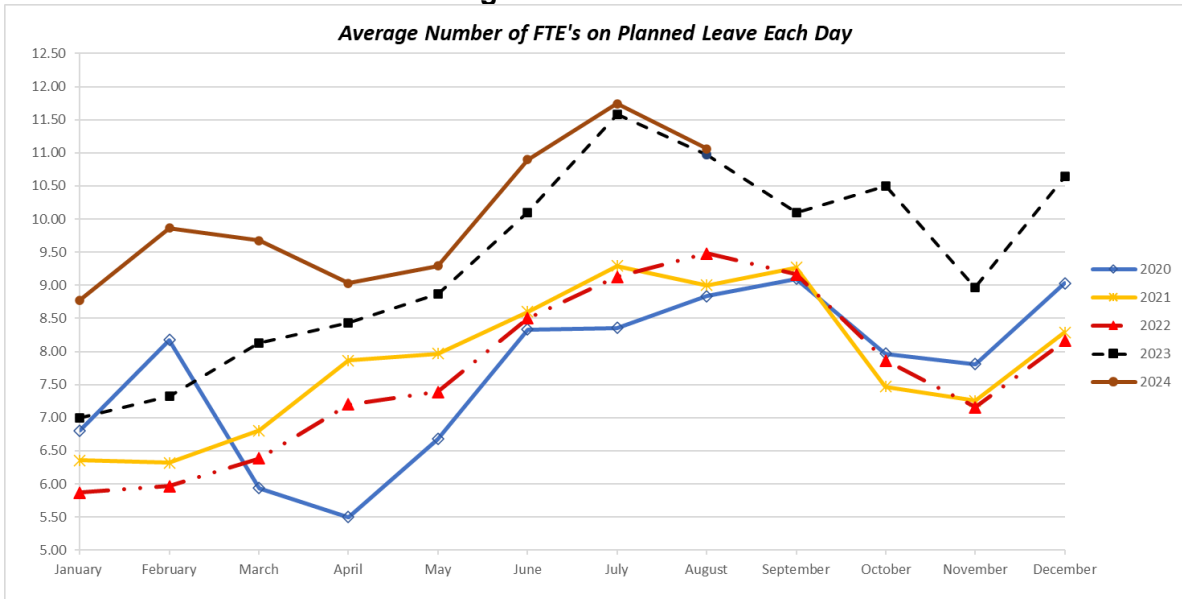


Table 5 above shows the average number of personnel on planned leave, including Kelly Days, vacation and holiday leave, in each month for the period of January 1, 2020 – August 31, 2024. The seasonal trend of usage in the summer months is consistently demonstrated by the chart. Since 2020, there is a steady growth in the daily average, an indication of a return to pre-pandemic levels. Current Department practice operates under the assumption that all planned leave slots can be filled without causing overtime and without falling below the daily minimum staffing. While this is true, the increase in planned leaves during more desirable seasons (e.g., summer, December) puts pressure on the overtime buffer, potentially resulting in an increase in the amount of overtime in these months. Strategies to help smooth out the seasonal trend in leave, such as limiting the number of slots available during the peak times could help reduce overtime.

2. Other Leave & Vacancies

Under the current practice, if the maximum allowable number of personnel are on planned leave, there are additional slots available above minimum staffing. These slots constitute the “overtime buffer” to protect the City from incurring overtime costs every time there is a vacancy or use of any “overtime-causing leave.” In recent years this overtime buffer was used in a few major ways:

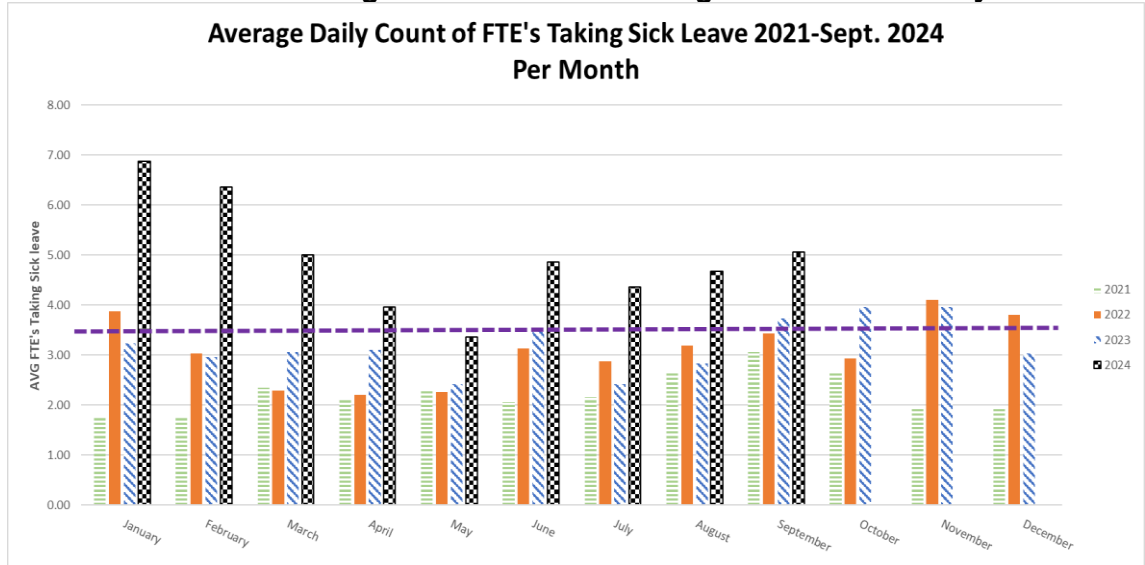
a) Overtime-Causing Leave

Per Department practice and policy, planned leaves described above are separated from ‘overtime-causing leave’, which is essentially any leave that is not part of a bidding process.² The most significant of these categories is sick leave. However, this also includes a range of other leaves such as light duty, on-duty injury, administrative, well child/FMLA, PFML, bereavement, and emergency leave.

² This is defined in Department policy 3.001

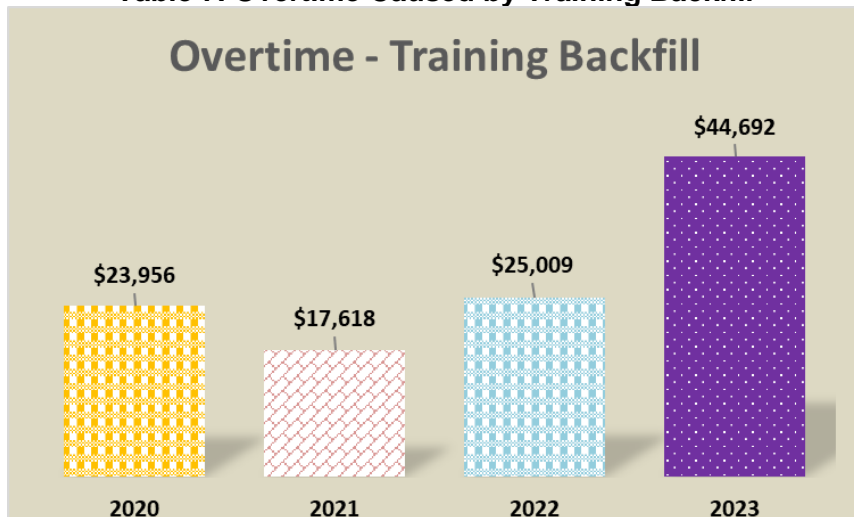
The bar graph below depicts the average number of personnel taking sick leave per day from 2021 through September 2024. The dotted line across the chart shows the 'overtime buffer', shown at three and one-half to reflect the change from four to the current total of three, thus each time the bar is above that line the average number of people on sick leave triggers a need for overtime if all planned leave slots were taken.

Table 6. Average Number of Staff Using Sick Leave Per Day



Training backfill falls under overtime causing leave as it isn't always known who will attend training on what days, who will be instructing on which days, or even if backfill will be needed regardless if the training was scheduled or not. Training opportunities, conferences, education classes, etc. may come up without preplanned notice, such as same-day cancellations of pre-registered attendees; these in turn may or may not cause OT due to attendance or backfill, if approved. In the last four years, the cost of Overtime caused by Training Backfill has trended upward with 2023 being the highest due in part to elevated hiring as shown in table below.

Table 7. Overtime Caused by Training Backfill

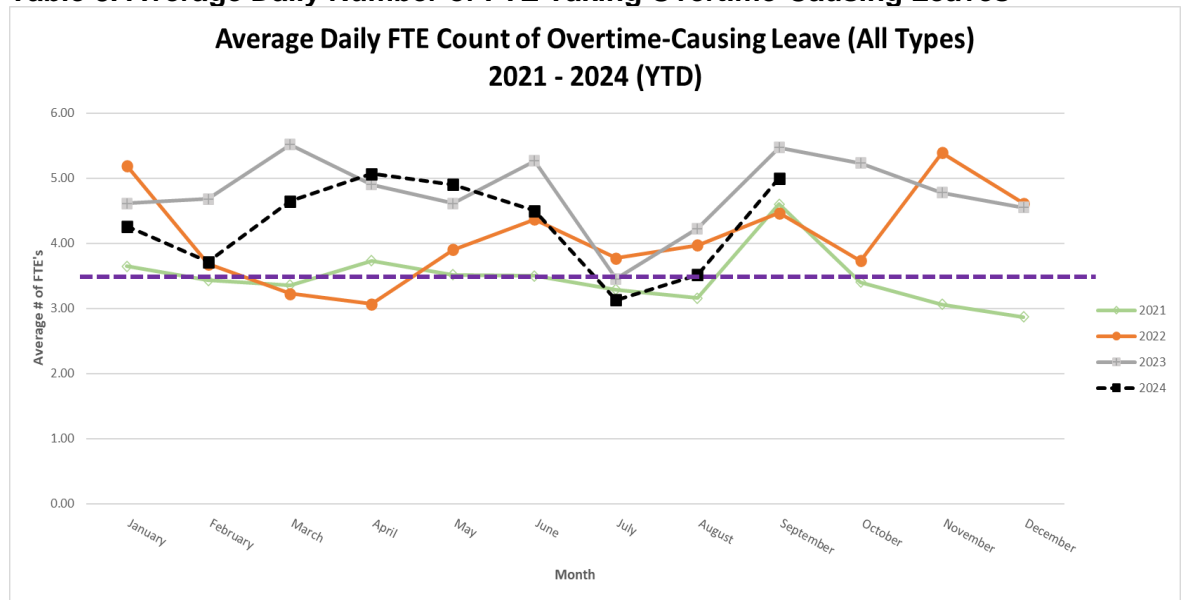


The joining of the Regional Training Consortium may help reduce needed overtime through increased opportunities to guaranteed slots for training and the ability for more pre-planned attendance that can be covered by the Overtime Buffer slots.

The previous issue paper on fire overtime also highlighted the issue of a relatively high average sick leave usage and suggested a long-term wellness strategy, working with employees to reduce sick leave usage. This option could still be explored as the Department moves forward with staffing and other planning.

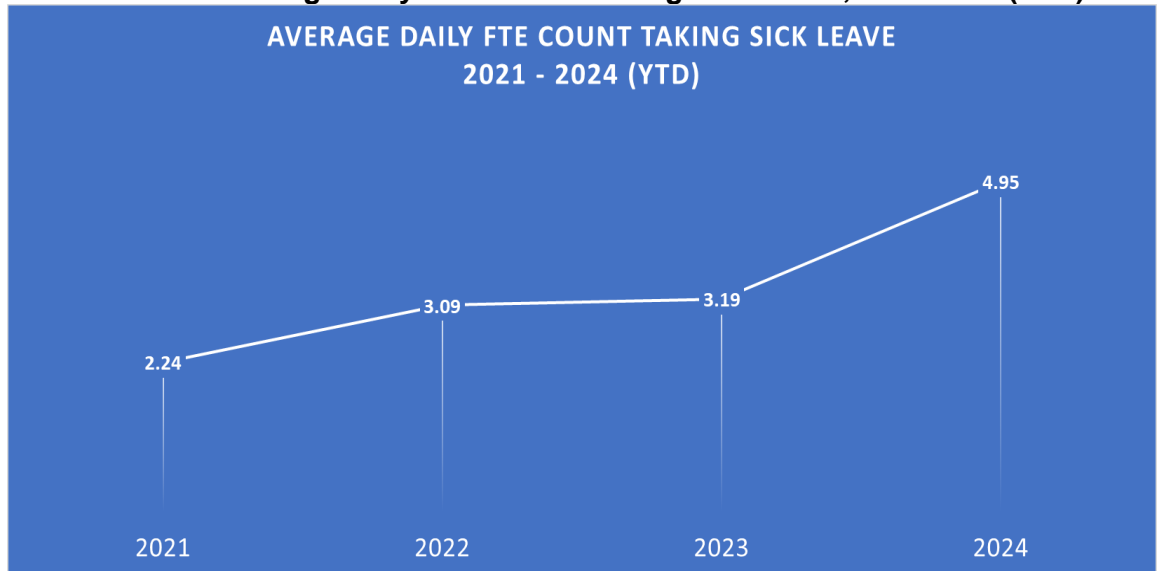
Below is a table showing the average daily number of FTE taking overtime-causing leaves by month from 2021 through 2024 year-to-date (YTD). The buffer represents 10% of total staffing per day. Overtime-causing leave consists of any unplanned leave. In addition to sick leave, unplanned leave consists of administrative leave, bereavement, emergency leave, light duty, military leave (paid/unpaid), training backfill, and all on duty leave. Since 2021, the average daily usage of leaves causing overtime have exceeded the established overtime buffer.

Table 8. Average Daily Number of FTE Taking Overtime-Causing Leaves



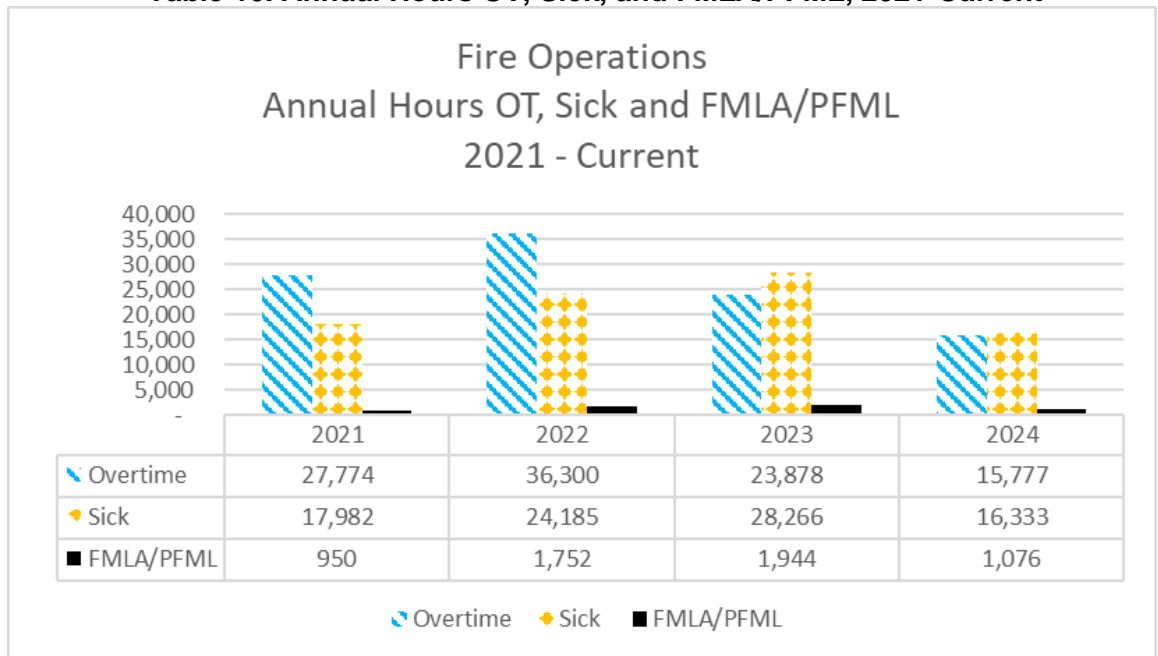
The rate of growth of the average number of FTE taking sick leave each day has continued to grow since 2021, which saw a daily average of 2.24 and in 2024 the current average YTD is 4.95. This represents an increase of 121% as shown in the table below.

Table 9. Average Daily FTW Count Taking Sick Leave, 2021-2024 (YTD)



The relationship between use of unplanned leaves and the earning of overtime is viewed as a primary cause and effect pattern. Since 2021, the pattern of each suggests that while sick leave is a primary driver, other reasons must also be considered. In the table below, the ratio of sick to overtime has been less than 1:1 in 2021, 2022, and 2023. Worth noting, 2024 YTD is the closest to a 1:1 relationship suggesting a change in the previous years' trends.

Table 10. Annual Hours OT, Sick, and FMLA/PFML, 2021-Current



*2024 through September, 2024

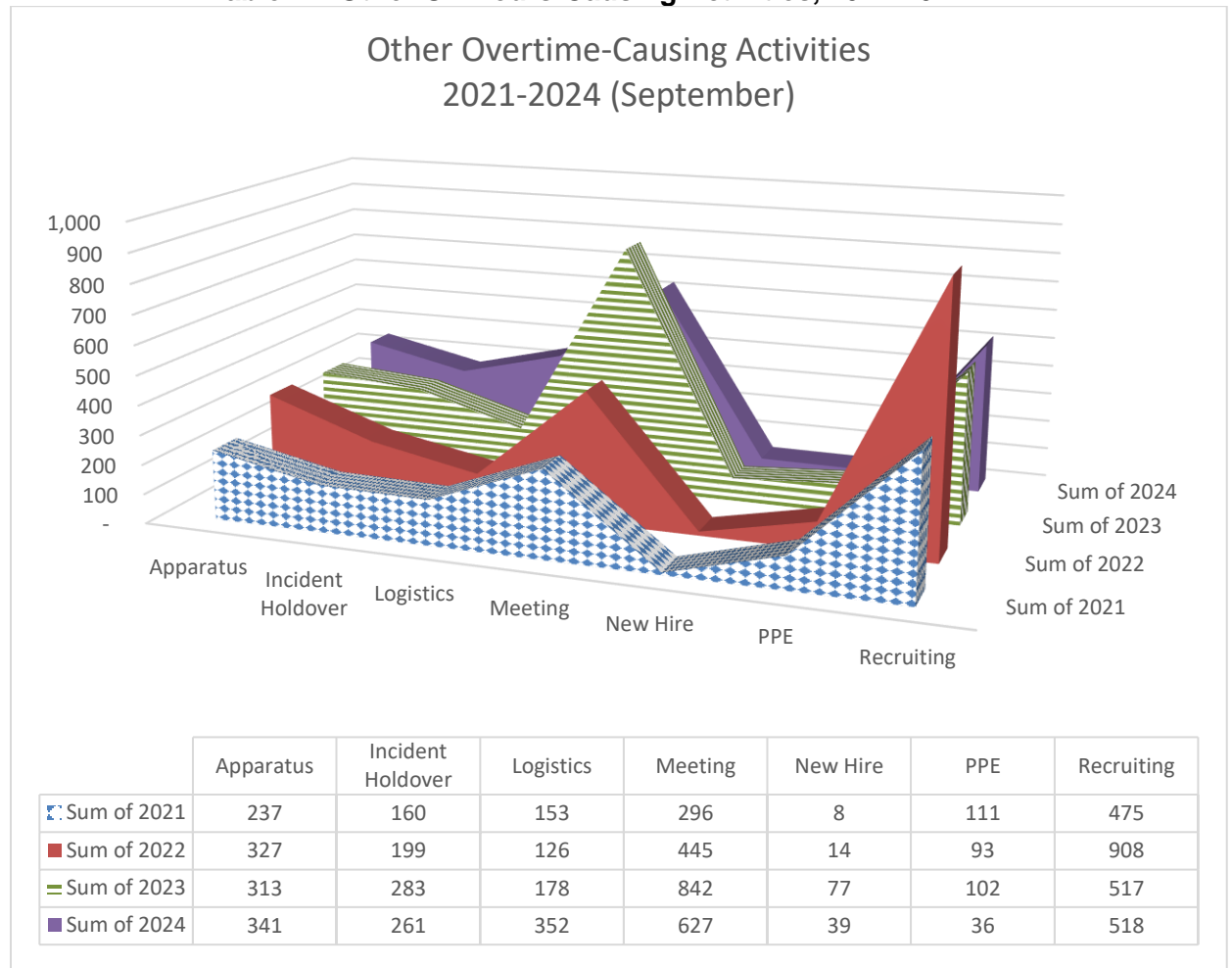
There are other factors that generate the need for overtime. In addition to response services, personnel perform activities that are in support of the division being well staffed,

prepared, and capable of providing quality services. In a review of timekeeping data to determine the reasons for overtime, staff identified several activities completed while personnel were in overtime status. In addition to leaves, this review showed the following top reasons for overtime:

- Apparatus inspections and driving rigs to repair shop;
- Incident Holdover (extension of on-shift time);
- Logistic and other project activities;
- Meetings;
- New hire onboarding;
- PPE inspections, preparation, and repairs; and
- Recruiting.

As the table below shows, over the last four years, these activities generated a total of 8,032 hours of overtime at an average annual cost of \$162,648, roughly 8% of all overtime generated in the Fire Operations division.

Table 11. Other OT Hours-Causing Activities, 2021-2024



b) Vacancies

Experience has shown that most vacancies are the result of retirements, which, due to state retirement rules, generally happen between January and June. These vacancies can last for months as firefighters have to be hired and go through a six-month academy, which happens twice per year, before they can be assigned to on-shift work. There is an approximate ten-month period between interviewing for a vacancy and having a trained firefighter coming out of the academy to fill that vacancy. In addition, the Department often provides instructors to the academy. These instructors may be taken from line positions, which also impact the overtime buffer.

In the last year, the Department was authorized to add 11 additional overhire positions, above its authorized three overhire positions, which ultimately helped to shorten the vacancy gap of anticipated separations. The Department was also successful in securing additional academy placements in support of minimizing the vacancy gap. Twelve slots were made available to the Department in the January/February 2023 fire academy; seven successfully completed the academy and new-hire probation, and remain employed.

As mentioned above, each additional vacancy likely requires a greater percentage of shifts to be covered by overtime. One option for overtime management is to recognize when overtime is less expensive than hiring a new staff member. Based on modeling that calculates average overtime cost and the ongoing salary and benefit cost of a firefighter, it is as economical for the City to staff with overtime if fewer than 78% of total hours needed require coverage as overtime. This represents a 1% change upward from the previous issue paper which showed a rate of 77% of total hours. During the 2023-2024 Biennium, the average percent of hours required as overtime was 10.5% down from the previous report period average of 17.5%. Table 12 below shows the monthly cost differential between a firefighter on straight time and equivalent overtime cost.

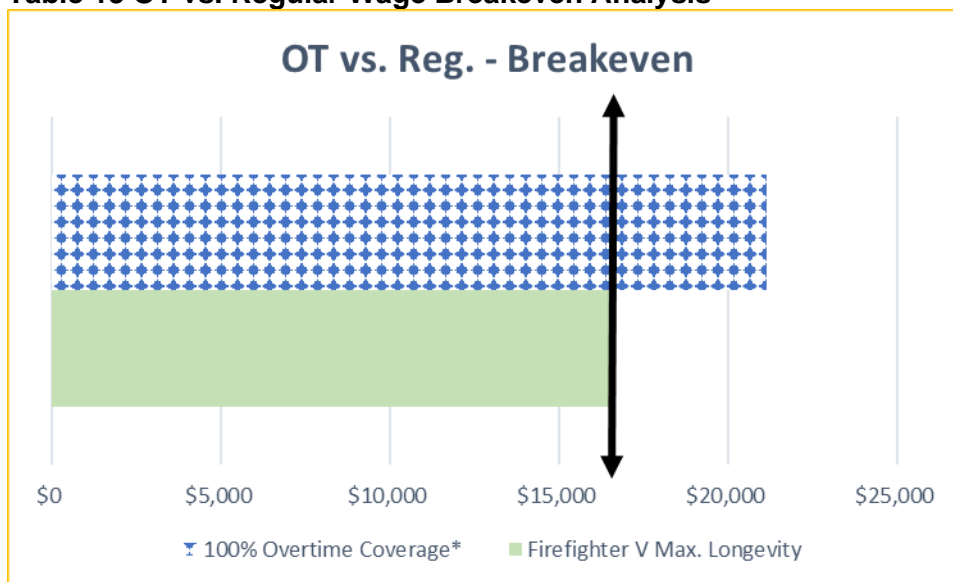
Table 12. Firefighter, Straight Time Costs Versus Overtime Costs

	Salary	Benefits	Total
Firefighter V Max. Longevity	\$11,008	\$5,465	\$16,473
100% Overtime Coverage*	\$18,618	\$2,541	\$21,159

*Average overtime Rate

Shown in another way, the table below presents the breakeven point at which there is cost neutrality between the monthly cost of overtime and the monthly cost of a regular ongoing position. This represents coverage of a maximum estimated 81 24 hour shifts or .78FTE. Additional coverage beyond that total would make hiring a full-time FTE the preferred option.

Table 13 OT vs. Regular Wage Breakeven Analysis



One way of measuring the impact of vacancies on overtime is to assume that most overtime caused by vacancies is offset by savings in regular salaries. Although the relationship isn't completely one for one, vacancies do create salary savings. The table below shows the relationship for the period of 2021 – 2024 (estimated). The overage for 2023 is reflective of the authorization to increase hiring in order to minimize the vacancy gap. In 2024, that authorization was beneficial as the estimated total is expected to be slightly under budget, providing some salary savings to offset estimated overtime.

Table 14. Salaries, Budget Versus Actuals, 2021-2024

Regular Salaries to Budget				
	Budget	Actuals	Difference	% of Bud.
2021	\$11,848,787	\$10,804,080	\$1,044,707	91%
2022	\$12,795,016	\$10,810,508	\$1,984,508	84%
2023	\$14,359,380	\$15,279,316	(\$919,936)	106%
2024	\$14,664,124	\$14,412,358	\$251,766	98%

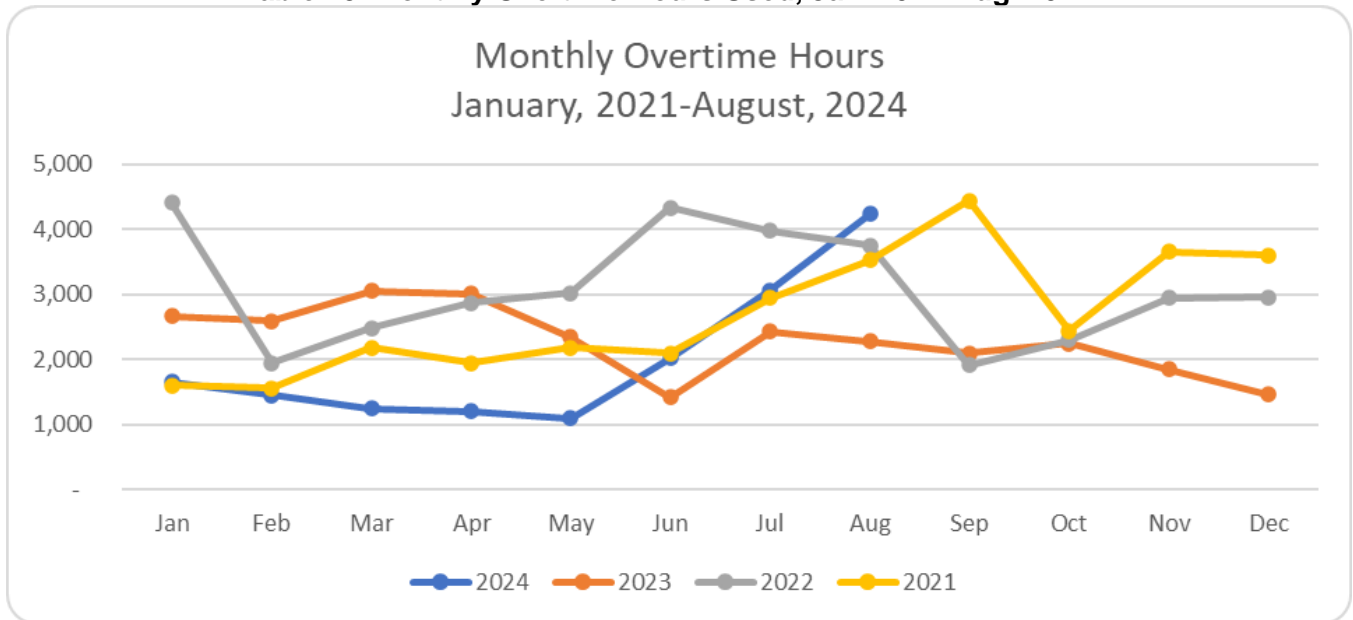
d) Emergency Response Deployments

Mobilizations to wildfires across the region typically cause significant overtime costs during the months of July, August, and September. However, the state reimburses for firefighters deployed, and may include personnel needed for backfilling. The rate is determined by the fully loaded pay rate for each personnel deployed and the personnel that works the backfill overtime.

Since the last review of Fire Operations overtime, results of staff analysis indicates positive impacts on overtime in the past year, which attributes to the authorization to increase hiring. This has allowed the Department to close the gap of time it takes to fill vacant positions and assign new staff to line shifts. As shown in the table below, the 2024 overtime rate was the lowest it has been in the last three years. The uptick during June, July, and August aligns with expected seasonal increases caused by planned leave and increases due to emergency response deployments in which the Department

participates. At full staffing, it demonstrates the Department’s ability to maintaining staffing levels that support the established minimum level of service while reducing overage against the overtime buffer. There is still opportunity for the Department to make greater impact on overtime as unplanned leaves have continued to increase. The primary challenge rests with identification of strategies to minimize sick leave. Also, as shown, other activities generating overtime are being reviewed and creative solutions and approaches are being considered to further reduce the impacts of overtime.

Table 15. Monthly Overtime Hours Used, Jan. 2021-Aug. 2024



Progress on Prior Recommendations

The progress made on recommendations from the prior biennium issue paper are summarized below:

1. Continue to leverage salary savings created by vacancies

Staff continue to perform budget monitoring that provides analysis of estimated costs of staffing to include benefit costs. Though faced with excess spend over budget in 2023 in both overtime and regular salaries, a small variance of underspend is projected for 2024 from separations.

2. Enhance Training Program

In January 2025, the Department will join the South King County Fire Training Consortium, which provides enhanced opportunities for new recruits and existing personnel to benefit from a large array of trainings and continuing education in order to maintain preparedness levels and sustained capacity to provide high-quality services to the whole community.

3. Lateral Hiring

Lateral hiring has only been approved by the union for only entry level laterals which essentially defeats the purpose of lateral hiring as it is meant to provide for trained and experienced personnel to be available for immediate online assignments. At this time, the department does not see a benefit to OT cost reduction through the current approval.

4. Proactive Hiring to Minimize Impacts of Attrition Due to Retirements

In 2023, the Department was successful in the effective implementation of temporary overhire positions in an effort to stay ahead of anticipated separations in order to meet minimum levels of service requirements. The direct impact of this authorization returned measurable results with a reduction in overtime hours not seen for over three years.

NEXT STEPS:

As we head into the next biennium, the following recommendations can be used to help manage the fiscal impacts of overtime costs:

1. Continue to leverage salary savings created by vacancies

Continuous budget monitoring of personnel costs should continue as the Department assesses its staffing patterns and continues with its recruitment efforts to ensure minimal staffing levels are maintained.

2. Explore strategies to reduce overtime-causing leave and other activities

The impacts of unplanned leaves and other activities performed by personnel, continue to be key factors in the generation of higher overtime costs. The Department should continue its in-depth review of non-leave activities and whether those activities can be adjusted to support their completion within a shift, when applicable. Full reduction of overtime is neither possible nor the goal as unplanned leaves aren't predictable. What can be achieved is a more manageable expectation of when overtime will be needed. It is important to note that any leave changes and any other adjustments to wages, benefits or working conditions such as shifts must be bargained with the IAFF.

3. Continue Proactive Hiring to Minimize Impacts of Attrition Due to Retirements

The Department should continue to use its three authorized overhire positions to continue its proactive approach to hiring. Staff will continue to analyze the fiscal impact of the use of these unbudgeted positions to provide a positive impact on the reduction in overtime generation. The reduction in actual overtime that allows the department to stay within its overtime budget or underspend the budget has the same impact of salary savings that help offset the cost of the overhires.

ATTACHMENTS:

None