



For Immediate Release
October 11, 2019

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City Surpasses Overtime Allocation by \$18 Million in FY2019

Departments Overspend Overtime Budget for Ninth Consecutive Year

October 11, 2019 — The Pennsylvania Intergovernmental Cooperation Authority’s (“PICA”) Annual Overtime Reprt for FY2019 showed City of Philadelphia overtime costs totaled \$172.9 million, \$18.1 million more than was allocated for the fiscal year, and the second highest-ever overtime spending total. Additionally, City departments exceeded their total allocation for overtime spending for the ninth consecutive year. Whereas the City reduced overtime costs compared to FY2018, and departments which have struggled to manage overtime costs in the past also achieved savings, those savings were offset by high costs within other departments. Thus, the City needs to improve its overtime budgeting process while bringing total overtime spending back within a reasonable, responsible level.

The report also found the following:

- Ten key departments accounted for \$167.4 million in overtime spending, or almost 97 percent of costs;
- Of the 40 departments that were allocated or incurred overtime in FY2019, 19 departments spent more than their overtime allocations, at an average spend of 150 percent of their allocations. Another nine departments incurred overtime costs without having been allocated any overtime;
- Despite an overall rise in staffing since FY2012, increasing staffing has not had the desired effect of reducing overtime costs;
- Fire Department continues to significantly overspend on overtime, as it spent almost \$21 million more than was budgeted, or 173 percent of its overtime allocation.

In addition to addressing some of the challenges faced by key departments in reducing overtime costs, the PICA report also analzed the effect staffing may have on departments’ ability to control overtime spending. FY2019 marks the fourth year PICA staff has been tracking and reporting on City of Philadelphia overtime, and will continue to produce such reports and make recommendations in the future.

For the full report click [here](#) or visit www.picapa.org.

Pennsylvania Intergovernmental Cooperation Authority

Financial Oversight for the City of Philadelphia

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