

Flagged Item # 6	Comparison of Citizen to Employee Ratios THAT Administration provide a comparison of citizen to employee ratios for comparable municipalities to Strathcona County (mid-sized in Alberta).
Date of Request	November 17, 2022
Moved By	Rod Frank
Response Required by	November 21, 4:30 p.m.
Presentation Date	November 24
Department / Division	Human Resources

Response:

When reviewing citizen to employee ratios, it is important to recognize that Strathcona County is a specialized municipality with significant service sprawl that services both urban and rural areas. It is also equally important to recognize the level of service being provided by the municipality. One municipality may provide regular service levels whereas others may choose to provide a higher level of service. The variation in Full-Time Equivalents (FTEs) across Alberta Municipalities can be a result of many factors and should not be solely compared to population without further context and analysis. Factors that influence the number of FTEs for a municipality can encompass many aspects including:

Land area and geographical composition: The size of land and geographical characteristics (e.g. natural areas, rural areas, urban areas, rivers, lakes) may lead to varying types of services and labour requirements associated with delivering them.

Infrastructure in place: The quantity and type/standard of infrastructure (e.g. utility infrastructure, buildings, machinery and equipment, paved roads, asphalt roads, bridges, sidewalks etc.) may drive different labour requirements to maintain such assets.

Types of services provided: Varying types of services provided by a municipality will drive labour requirements to deliver them and they will be different for rural vs urban. For example, agriculture services, transit, recreational programming, family and community services, snow clearing, emergency services, etc.

Level of services provided: Factors such as frequency, accessibility, and complexity of program and service delivery will drive various labour requirements. It is currently difficult to compare service levels across municipalities as they typically are not defined in a consistent manner and are not readily available.

The following are 2021 total full-time municipal positions (FTE's) and populations reported to Municipal Affairs for a sample of municipalities. There are only six specialized municipalities in Alberta (Strathcona County, Lac La Biche County, Mackenzie County, Municipality of Crowsnest Pass, Municipality of Jasper, and the Regional Municipality of Wood Buffalo). The only specialized municipality that provides a meaningful comparison to Strathcona County is the Regional Municipality of Wood Buffalo (RMWB), as the populations

of the other specialized municipalities are much smaller (Mackenzie County is the next largest with a population 12K people).

Municipality	Population (2019)¹	Total Full-Time Municipal Positions (2021)	FTEs per '000 population
City of Medicine Hat	63,260	1,086	17.17
City of St. Albert	66,082	680	10.29
City of Grande Prairie	69,088	704	10.19
Strathcona County	98,381	1,346²	13.68
City of Red Deer	101,002	1,312	12.99
City of Lethbridge	101,482	1,252	12.34
Regional Municipality of Wood Buffalo (RMWB)	111,687	1,383	12.38

Statistical comparisons: Readily available statistical comparisons are explained briefly below to help provide additional context for differences among the municipalities. Data used in the analysis was obtained from Municipal Affairs. It is important to note that these only provide a general overview of select information. Service types and level comparisons are not readily available across municipalities, which is a key driver in cost and labour requirements.

It is also important to note that the types and levels of services, infrastructure, projects etc. will also have an impact on FTEs required for internal facing departments. The degree of magnitude and complexity of services can influence the financial function (budgeting, financial analysis, financial reporting and adherence to accounting standards); information and technology functions (support for various systems and integrations between them); facility management (cleaning, repairs, upkeep etc.), procurement requirements; project planning, scheduling and reporting, legislative and legal service impacts and needs, etc.

Hamlets and specialized municipality status:

Comparison: Municipal Affairs defines a hamlet as an unincorporated community within the boundary, and consists of 5 or more dwellings, and contains land that is used for non-residential purposes. A specialized municipality is when urban and rural areas are governed by a single municipal government. Strathcona County is a specialized municipality and has 9 hamlets. Of the municipalities selected RMWB is the only other with any hamlets (7) and is also a specialized municipality.

Comments: In conjunction with Strathcona County's larger land size, these 9 hamlets are communities that require municipal services and are not in the urban center of Sherwood Park. The responsibility for both urban and rural areas is a key difference from other municipalities in this comparison. For example, the City of Red Deer and City of Lethbridge

¹ Based on latest population information per Municipal Affairs.

² There may be slight variations in how the FTEs reported to Municipal Affairs are determined (e.g. point in time vs weighted average).

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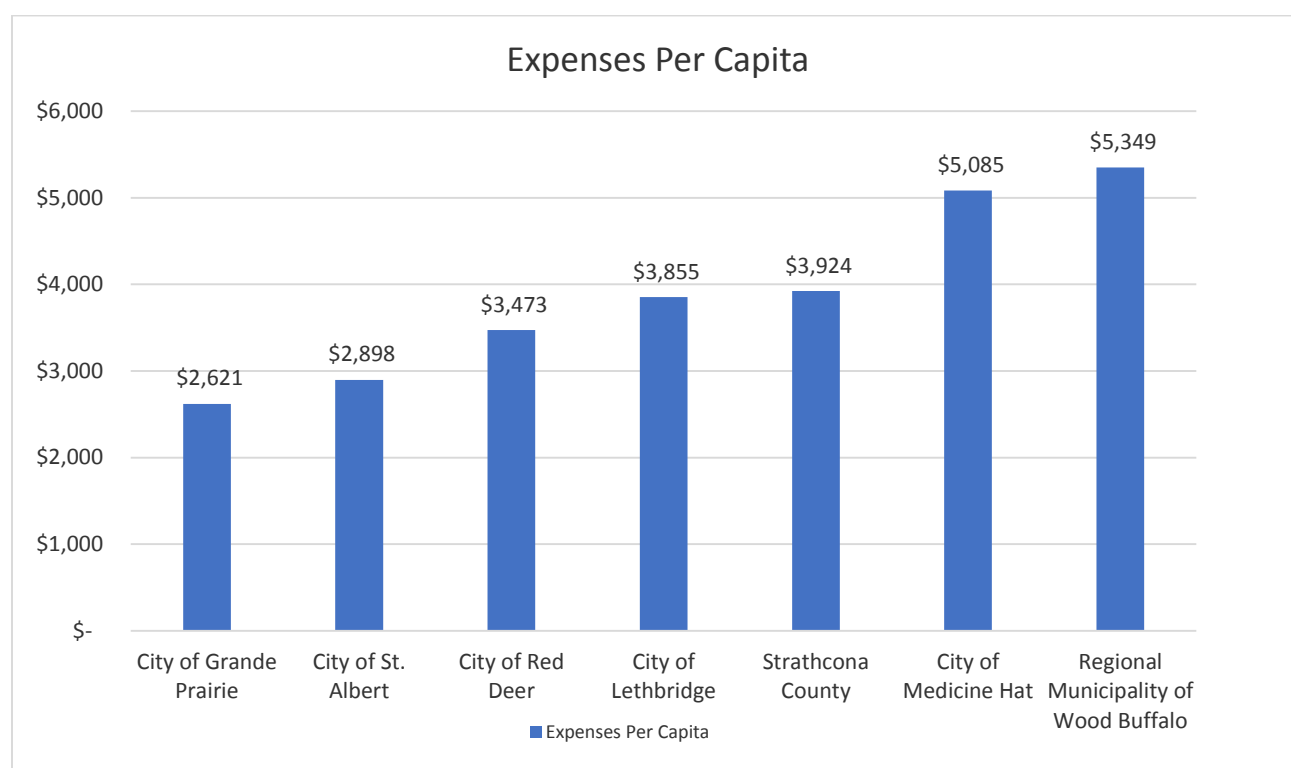
Budget Process, November 2022

govern predominantly urban areas, while Red Deer County and Lethbridge County exist as separate municipal bodies with their own staff, tax base, budgets, etc.

Expenses per Capita:

Comparison: Strathcona County has similar spending per capita as City of Red Deer and City of Lethbridge (~\$3,500-\$3,900), and lower spending per capital than the Regional Municipality of Wood Buffalo and City of Medicine Hat.

Comments: Although Strathcona County has a higher FTE count than City of Red Deer and City of Lethbridge, the total spending per capita is still similar (note that the total expense figure includes salaries, wages and benefit costs). Total expenses will vary depending on types and levels of services provided, and it is therefore difficult to adequately compare total expenses per capita without this context.



Note – Total Expenses excludes Write Down of Tangible Capital Assets; Accretion Expense; and Transfers to Other Governments, Local Boards and Agencies, and Individuals and Organizations.

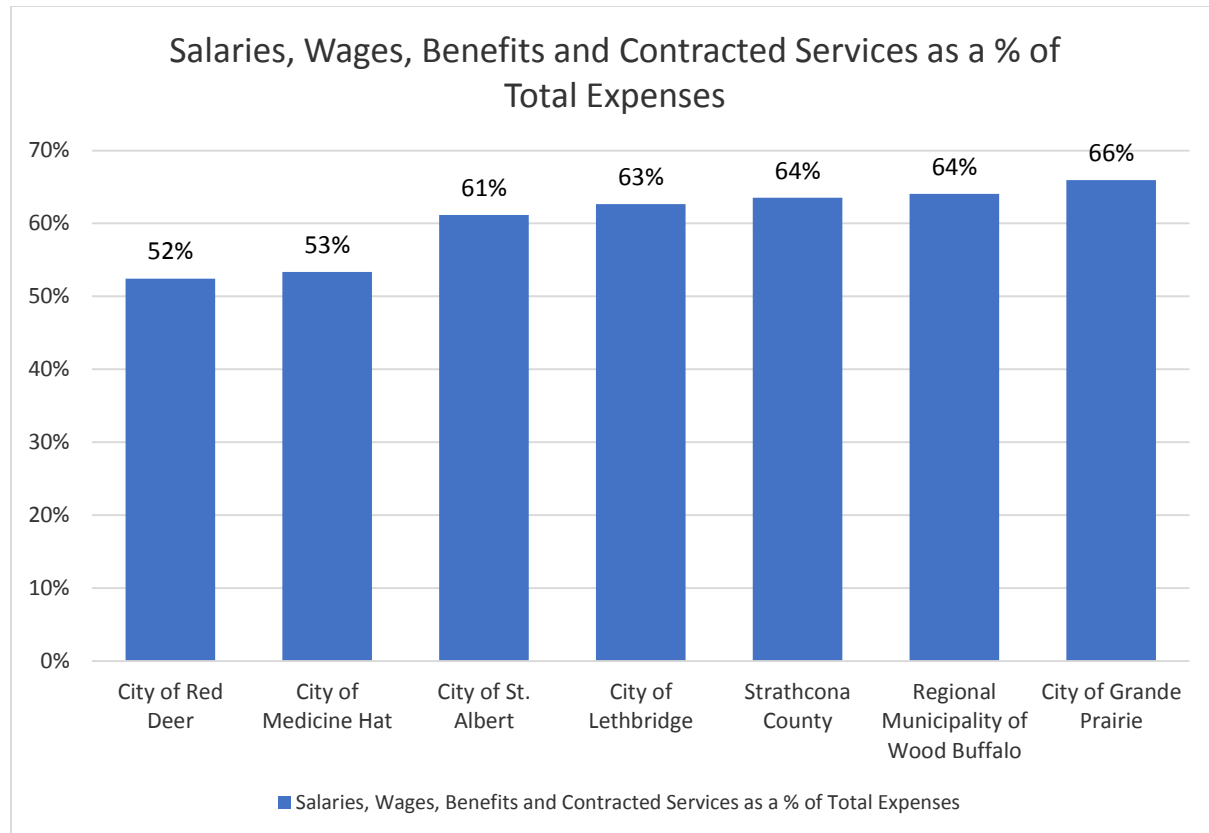
Salaries, Wages, Benefits and Contracted Services

Municipalities can provide services in two ways, through employment and contracted services. It is at the discretion of a municipality to determine the best means, and each municipality is different. When work is contracted to third parties, it is classified as contracted services on the financial statements and the workforce delivering the services are not considered FTEs to a municipality. It is therefore useful to compare total salaries

wages, benefits combined with contracted services reported by municipalities as a percentage of total expenses, to give an indication of how much operating expenses are required for people (internal or external) to provide the services offered by a municipality. By doing this comparison it helps create consistency amongst the comparators instead of just focusing on one of the elements.

Comparison: Strathcona County is in line with total spending of salaries, wages, benefits and contracted services as a percentage of total expenses with many other municipalities in the sample below at about 64% of total expenses. This shows that each municipality may opt to deliver services in a different manner with respect to employee's vs contracted services but at the end of the day we are in line with other municipalities. This could be indicative of our choice to perform more services in house which results in a higher FTE count.

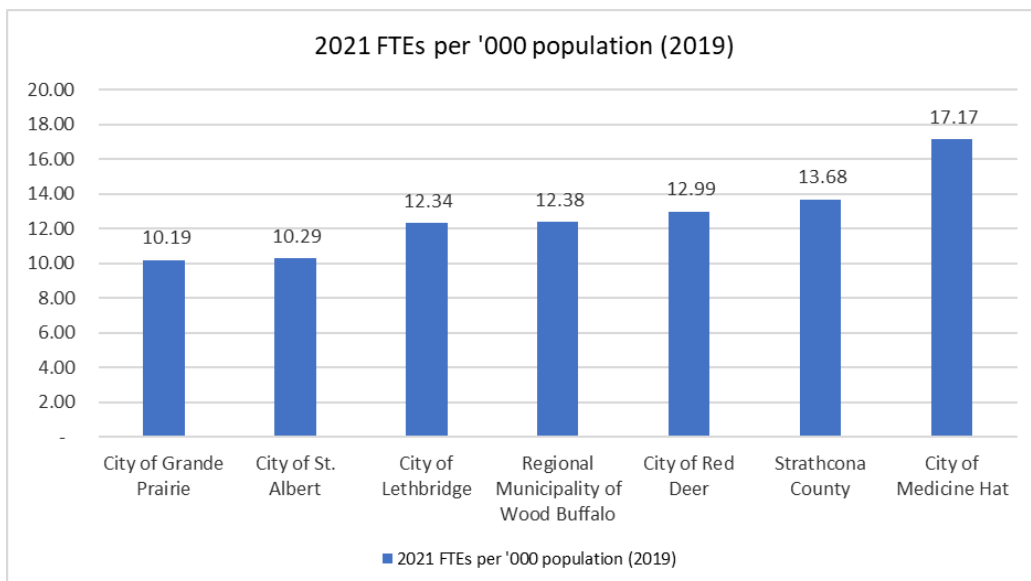
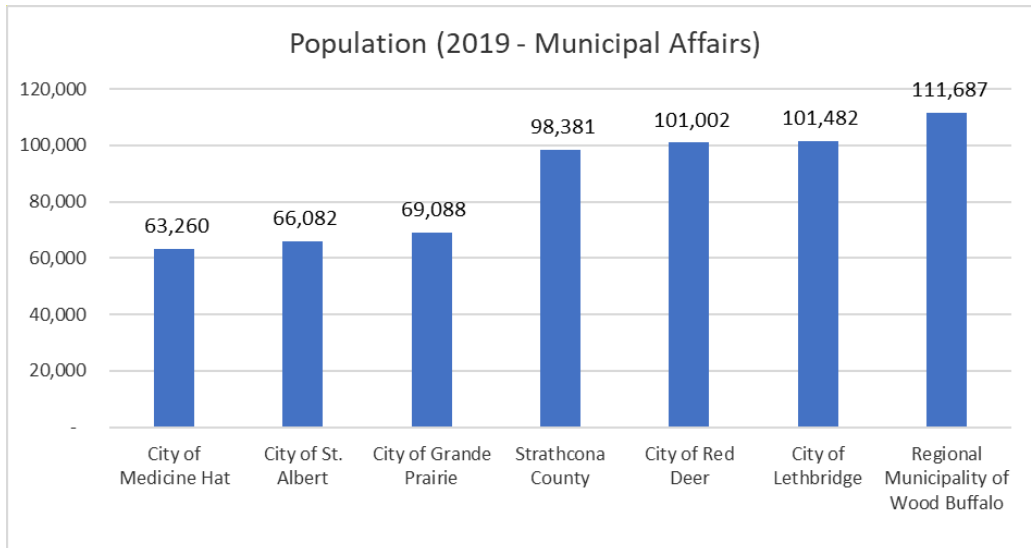
This comparison below demonstrates that the County has similar spending when taking into consideration the FTE / Contracted services mix that each municipality chooses to deliver its services.

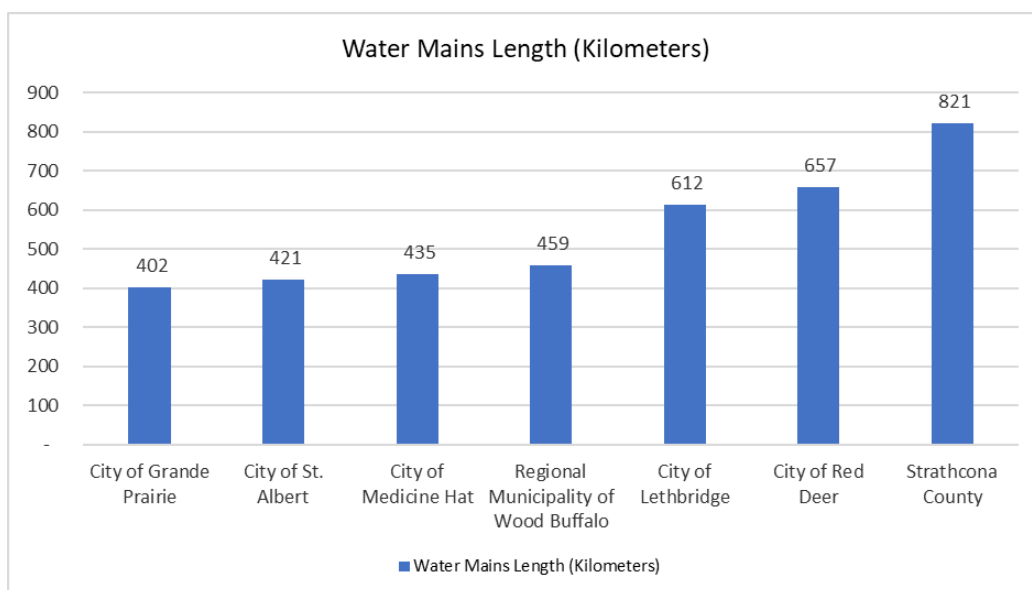
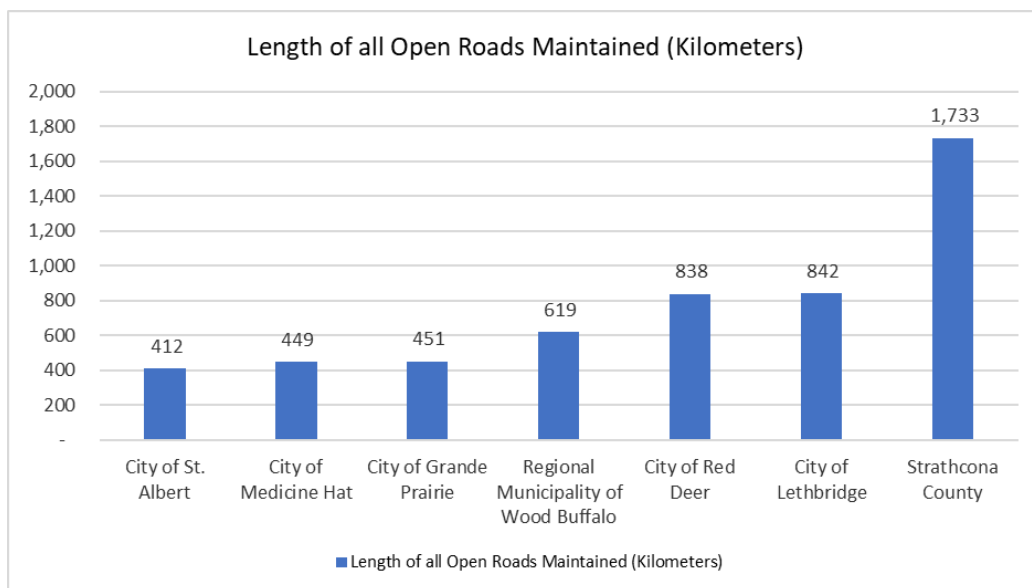


Population and FTEs/'000 and other Statistical Info:

Comparison: Strathcona County, City of Lethbridge, and City of Red Deer have similar populations (~100K), RMWB is slightly larger (~112K), while Grande Prairie, St. Albert, and Medicine Hat have populations around 60-70K. Strathcona County has a higher FTE count per thousand people than the other municipalities in this sample, excluding the RMWB.

Comments: Although City of Lethbridge and City of Red Deer are similar in populations and have less FTEs, Strathcona County has the highest number of open road kilometers and number of water mains, this further displays that comparisons are difficult to perform.



**Summary**

Overall, FTEs across Alberta municipalities will vary due to a multitude of factors and it is difficult to provide a consistent and straightforward comparison. Strathcona County is a specialized municipality which adds greater complexity to this analysis because the significant urban and rural serviceable area is unique compared to most municipalities. With that being said, total spending on a per capita and the proportion of spending on salaries, wages, benefits and contracted services is in line with the other municipalities.