

# Benchmarking and Productivity Analysis (Full-time Equivalents, Program and Service Review and Earned Days Off)

## Recommendation

That the November 28, 2018 Financial and Corporate Services report CR\_6467 be received for information.

## Previous Council/Committee Action

At the September 18/20, 2018 City Council meeting the following motion was passed:

That Administration provide a report on the following:

1. The historical trend of FTEs/capita for the City of Edmonton and any known municipal benchmarks or metrics of FTEs/capita for other Canadian cities (i.e. Toronto, Vancouver, Montreal, Calgary, Ottawa).
2. Based on programs and services identified within the Program and Services Review, identify which are predominantly in the jurisdiction of another order of government and to which of those the City of Edmonton currently allocates operating funding.
3. A productivity analysis of the earned days off (EDO) program and how it affects efficient and effective provision of City services and employee attraction and retention.

## Executive Summary

This report provides information on the historical trend of FTEs per capita for the City of Edmonton and the comparable data from other Canadian cities. It also provides information on funding provided for programs and services provided by the City but are predominantly within the jurisdiction of another order of government. Finally the report discusses the effects of the earned day off program on the efficiency and effective provision of City services.

## Report

### FTE per Capita Trends

Administration undertook a comparative analysis of tax-supported full-time equivalent (FTE) positions between Edmonton and six large Canadian cities for years 2012 through 2017. These cities were Toronto, Calgary, Montreal, Ottawa, Winnipeg and Vancouver. Utility and enterprise-based services were excluded from the analysis, as their revenue streams fully cover operating costs including personnel costs. Only services that require tax support were considered in the analysis.

Attachment 1 includes a table of tax-supported FTEs for each City for years 2012 through 2017.

Toronto had the highest rate of tax-supported FTEs per 1,000 population, ranging from 17.6 to 18.1 over this period, and showing a relatively stable trend. Ottawa was second, with a range of 14.7 to 15.7, and showing a downward trend with 15.7 in 2012 reducing to 14.7 in 2017. Edmonton was third, showing a stable trend of 14.8 to 15.0 FTEs over this period. Vancouver was fourth, showing a stable trend of 12.2 to 12.5 over this period. Calgary was very close to Vancouver, showing a stable trend between 12.1 to 12.5 over this period. Montreal was sixth, showing a relatively stable trend of between 11.2 and 11.7 over this period. And lastly, Winnipeg had the lowest rate, showing a stable trend of between 11.0 and 11.3 over this period.

Big cities in Canada do vary, and the types of municipal services offered also vary. Because of this variation, comparing tax-supported FTEs per capita might, to some degree, present an apples to oranges comparison. For example, relatively low comparisons might be made, but much of this could be attributed to other public authorities providing the service that the City of Edmonton provides for Edmontonians. Relatively high comparisons might also be made in the event that certain cities are providing services that Edmonton does not provide, but are instead provided by other public authorities in Alberta.

Because of this, a normalized analysis was also conducted to minimize (but not entirely eliminate) much of these differences. The key adjustments made in the normalization were to add in a population-weighted share of TransLink FTEs into Vancouver's FTE figure, as transit services in the City of Vancouver are provided by the separate regional TransLink organization and not by the municipal government. Taxpayers in Vancouver pay property tax to TransLink for this service. Tax-supported emergency medical and paramedical service FTEs were also removed from Winnipeg, Toronto and Ottawa, as these services are provincially provided in Alberta. Various tax-supported public health and social service FTEs were subtracted from Ottawa and Toronto, as these services are provincially provided in all provinces except Ontario.

The results of the normalized analysis of tax-supported FTE per capita are also shown in Attachment 1. In the normalized analysis, Vancouver had the highest rate of tax-supported FTEs per 1,000 population, ranging from 15.0 to 15.4 over this period and showing a relatively stable trend. Toronto was second, showing a stable trend of 14.9 to 15.4 FTEs over this period. Edmonton was third, showing a stable trend of 14.8 to 15.0 FTEs during this period. Ottawa was fourth, showing a downward trend from 13.1 to 12.2 FTEs over this period. Calgary was fifth, showing a stable trend of 12.1 to 12.5 over this period. Montreal was sixth, showing a stable trend of 11.2 to 11.7 over this period. And lastly, Winnipeg had the lowest rate, ranging from 10.4 to 10.6 tax-supported FTEs over the 2012 to 2017 period.

### **Programs, Services and Jurisdiction**

Historically, the federal, provincial and municipal governments have had traditional roles in the provision of services in their jurisdictions. As an example, the federal government is responsible for the provision of national and international matters including trade and national defence; the provincial government is responsible for the delivery of healthcare, education and social services; and municipal governments are responsible for land use planning, the provision of local roads, protective services and public transit.

Over time, and more prominently in recent decades, the traditional roles continue to shift,

resulting in increasing overlap and greater complexity through the transfer or assumption of responsibilities and costs to municipalities (or through their regional management bodies) from other orders of government without the resources or legislative authority to support them.<sup>1</sup> In Alberta, municipalities are governed by the *Municipal Government Act* which broadly states that municipal purposes include: fostering the well-being of the environment; providing services, facilities or other things that, in the opinion of council, are necessary or desirable; and developing and maintaining safe and viable communities. While this enables municipalities to support a very wide scope of programs and services to address local needs, it also can lead to confusion surrounding where the responsibilities of one government stops and another one starts.

The City of Edmonton has experienced this transfer of responsibilities first hand. An example of services that have traditionally been provided by higher-order governments, but are now seeing greater required involvement by the City of Edmonton is affordable housing programs (provincial and federal responsibility). The City of Edmonton has assumed some of these responsibilities in acknowledgement of a clear gap that required immediate attention. The City understands its role to provide a sufficient level of service to be a functional, attractive, and competitive City, but such a role is often stretched when there is a clear need for social supports more commonly under the jurisdiction of the Provincial government.

It should also be noted that further clarifying roles and responsibilities between all orders of government is an area of ongoing advocacy across numerous cities and municipal associations in Canada. The City of Edmonton, through the City Charter and Collaboration Agreement, has created new mechanisms enabling the City of Edmonton to begin to explore opportunities to better align and optimize future resources across shared outcomes of Provincial interest.

Over time responsibilities have shifted between municipalities like the City of Edmonton and other orders of government, the reasons for which are identified below:

- The direct offloading of federal and provincial programs and/or responsibilities without adequate funding or revenue tools;
- regulatory changes that require spending by municipalities;
- cancellation of programs that are needed or expected by the public or citizens;
- cancellation of government transfers or program funding;
- under-investment in infrastructure, maintenance, renewal and replacement; and
- the failure to adequately address issues and problems that fall under provincial or federal jurisdiction.

The most significant impacts for the City of Edmonton as a result of shifting responsibilities are in the areas of: health and social services, policing, affordable housing, and taxation and assessment.

The following table identifies programs and services within the City of Edmonton with operational funding is allocated to an area where the services is predominantly within the

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<sup>1</sup> Duffy, R., Royer, G. and Beresford C. 2014. "Who's Picking up the Tab?: Federal and Provincial Downloading onto Local Governments."

jurisdiction of another order of government. For each service or program identified, where applicable the program and service review classification is identified.

***Disclaimer: The following is not a complete list but highlights some of the key challenges facing the City of Edmonton.***

<b>Health Services</b>		
<b>Item</b>	<b>Description</b>	<b>Impact</b>
<p>Emergency Medical Services – Fire</p> <p>Program and Service Review Classification: Public Safety/Fire Rescue Services</p>	<p>In 2009, following the provincial announcement that funding and governance of Emergency Medical Services (EMS) would become the responsibility of the health regions, the City of Edmonton transitioned Emergency Medical Services to Alberta Health Services.</p> <p>The EMS model in use within the city both pre and post transition, is predicated on having emergency medical first responders providing initial medical aid prior to the arrival of an ambulance unit.</p> <p>Edmonton Fire Rescue Services has continued to provide medical first response within the city as an integral part of public safety.</p> <p>During 2017, Edmonton Fire Rescue Services medical event call volume was 33,791 incidents, comprising 66.8% of total emergency event call volume. Since 2013, medical event call volume on a year to year basis has increased by 7.5% annually. During 2008, Edmonton Fire Rescue Services medical event call volume was 21,759 incidents, comprising 62.1% of total emergency event call volume.</p> <p>The impact calculated is based on incremental costs related to fuel, maintenance, medical supplies and training. This does not represent the full cost to provide the service.</p>	<p>Approximately \$700,000 [Annual incremental costs; does not represent full cost]</p>
<p>Emergency Services - Police</p>	<p>Police are required to ensure the safety of persons in crisis unable to care for themselves, and in the absence of alternatives, are frequently required to place intoxicated persons in custody or bring them to emergency departments. This situation is putting unsustainable strains on the City’s emergency services and justice system.</p> <p>In 2013, the Edmonton Homeless Commission</p>	<p>To be determined</p>

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	<p>estimated that there were between 300 and 600 “heavy users” of emergency services, and in 2014 the Edmonton Police Service (EPS) responded to approximately 18,000 calls for service related to social disorder, a significant proportion of which related to homeless persons suffering from severe intoxication and/or mental illness.</p>	
<p><b>Social Services</b></p>		
<p>Funding formulas that require Municipalities absorb cost escalation</p> <p>Program and Service Review Classification: Social Support/ Individual Care and Support Services</p>	<p>Provincial funding is a fixed amount and is not adjusted annually for inflation or growth as a result the City of Edmonton absorbs inflation and growth related to the delivery of these social programs over time.</p> <p>Family and Community Support Services (FCSS) is a unique 80/20 funding partnership between the Government of Alberta and participating municipalities or Métis Settlements. The provincial government allocates grants to participants through this program. Each participating entity matches its provincial grant with a minimum 20% contribution and is required to submit an annual report to the Ministry detailing local expenditures for funded projects and services that are eligible under FCSS legislation. The allocation has been a fixed amount of \$22.3 million since 2016. Without annual adjustments to the the City of Edmonton absorbs the inflationary pressures over time. Adjusting for inflation at 3%, the annual incremental increase for FCSS would be \$669,745. When funding increases the City is required to contribute the additional 20% in order to access the increase in funding.</p> <p>The City of Edmonton allocates the total provincial grant funding received to program expenses. Allocations of funding can vary by program as the City works to maximize the use of the FCSS grant funding provided by the province.</p>	<p>\$669,745 [Annually]</p>
<p>Removal of Funding used to deliver the Community based Green Shack Program</p> <p>Program and Service Review</p>	<p>In 2014 additional resources were added to the base budget for the delivery of the community based Green Shack Program as a result of provincial cuts to the Summer Temporary Employment Program.. A total of \$275K and 7 FTEs were approved in 2014 in order to keep the green shack program operating in high needs areas. When the provincial employment grant funding available was eliminated in 2013, community leagues, as a partner in the program, were no longer able to</p>	<p>\$275,000 [Annually]</p>

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<p>Classification: Recreation and Culture/ Recreation and Cultural Programming Service</p>	<p>provide their level of support and this program became funded by tax levy to ensure its ongoing operations.</p>	
<b>Low Income Supports</b>		
<p>Leisure Access Program</p> <p>Program and Service Review Classification: Social Support/ Individual Care and Support Services</p>	<p>The estimated value of offering this program to low-income Edmontonians and new citizens was \$15.4 million in 2015. Since the launch, use of the program has increased bringing the total 2018-to-date value of the LAP program to \$16.6 million.</p> <p>Over this period, the Leisure Access Program (free and discounted admission for low income Edmontonians) has also grown from 30,000 citizens visiting 410,000 times in 2013 to over 48,000 citizens visiting 794,000 times in 2017. As of August 28, 2018 there are 65,599 Edmontonians enrolled in these programs.</p>	<p>\$16.6 Million [Annually]</p>
<p>Ride Transit Program</p> <p>Program and Service Review Classification: Social Support/ Individual Care and Support Services</p>	<p>Edmontonians experiencing low-income are particularly dependent on transit for their transportation needs. Financial support for people experiencing low income is not traditionally a municipal service; however, in order to support the most vulnerable of its citizens, the City of Edmonton is working on a funding arrangement with the Province to provide a low income transit pass program. The total cost of the program is in excess of \$8 million per year, to be cost shared with the Province, and anticipated impact the City of Edmonton is approximately \$4 million annually increasing to a proposed \$5.4 million in the 2019 budget.</p>	<p>\$4.0 Million [Annually]</p>
<b>Targeted Programs</b>		
<p>Mental Health Services and Initiatives</p> <p>Program and Service Classification: Social Support/ Individual Care and support services</p>	<p>Assessment and Short-Term Counselling (free counselling service for low-income Edmontonians) focuses on preventative, short-term support and systems navigation. A team of 10 social workers provide counselling services, run three weekly drop-in groups, nine registered group programs, and run a phone line for individuals seeking help.</p>	<p>Individual Care &amp; Support Services Unit within Family &amp; Community Supports Section, Social Development Branch (10 social workers) 2018 Budget is \$1,354,136 for</p>

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		Expenses and this is offset by an allocation of Provincial FCSS funding of \$1,200,247 (a net cost to the city of \$153,889).
<p>Mental Health Services and Initiatives</p> <p>Program and Service Classification: Social Support/ Individual Care and support services</p>	<p>The Mental Health &amp; Urban Isolation Initiative works in partnership with provincial and community partners to support social connectedness and wellbeing.</p>	<p>Mental Health and Urban Isolation is funded via Council Initiatives in 2018 for \$60,000.</p>
<p>Mental Health Services and Initiatives</p> <p>Program and Service Classification: Social Support/ Individual Care and support services</p>	<p><i>Living Hope, A Community Plan to Prevent Suicide in Edmonton (2018-2021)</i> is a partnership with Alberta Health Services, the Government of Alberta, Edmonton Police Service, United Way - Capital Region, the Canadian Mental Health Association - Edmonton Region, the University of Alberta and many community organizations. The focus of the Suicide Prevention Strategy and Implementation work is to improve mental health services, education, surveillance, training within the health sector, and prevent suicide in Edmonton.</p>	<p>Suicide Prevention Strategy is funded via a Service Package from 2018-2020 for a total multi-year support of \$1,390,600: 2018 - \$544,800 2019 - \$422,900 2020 - \$422,900</p>
<p>Justice Programs, Services, and Initiatives</p> <p>Program and Service Classification: Social Support/ Individual Care and support services</p>	<p>The Domestic Abuse High Risk Team (DAHRT) is a domestic violence prevention team of social workers work with Edmonton Police Service on extreme domestic and family violence case files. The City sits on the Domestic Violence Justice Response Committee with Alberta Justice.</p>	<p>DAHRT Unit within Family &amp; Community Supports Section (7 social workers) 2018 Budget is \$804,000 for expenses and this is offset by and allocation of FCSS Provincial</p>

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		Funding of \$289,757 (a net cost to the City of \$514,243).
Justice Programs, Services, and Initiatives  Program and Service Classification: Social Support/ Individual Care and support services	Elder Abuse Prevention work through the Seniors Protection Partnership. a A Memorandum of Understanding is in place with the Edmonton Police Service and Catholic Social Services.	Elder Abuse 2018 Expenses are funded in Edmonton Police Service and are estimated at \$110,000
Justice Programs, Services, and Initiatives  Program and Service Classification: Social Support/ Individual Care and support services	The Gender-based Violence Prevention and Sexual Assault Prevention Initiative includes work on the United Nations Safe Cities and Safe Places and domestic violence prevention initiatives. The United Nations Women Safe Cities and Safe Public Spaces Initiative is a global programme that develops, implements, and evaluates tools, policies and approaches on the prevention of and response to sexual harassment and other forms of sexual violence against women and girls. Edmonton is one of 21 cities participating in the program.	In 2018, the Council Initiative budget related to Gender-based Violence Prevention is \$80,000
Poverty  Program and Service Classification: Social Support/ Individual Care and support services	Through the Poverty Elimination Council Initiative, the End Poverty Edmonton Strategy, launched in 2015, aims to end poverty in Edmonton in a generation. To advance the goals of the Strategy, a five-year Road Map was developed with 35 actions. The End Poverty Edmonton Road Map Actions that are within provincial jurisdiction include affordable childcare, affordable housing, access to mental health and addictions services, affordable public transit/transportation.	End Poverty Edmonton service packages from 2016 for Poverty Elimination - multi-year funding that ends in 2021.  2017-\$1,265,000 2018-\$2,443,000 2019-\$2,397,000 2020-\$2,273,000 2021-\$1,472,000



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		Total- \$9,850,000
DATS  Program and Service Classification: Social Support/ Individual Care and support services	DATS is a door-to-door public transportation service for eligible Edmontonians who cannot use conventional transit for some or all of their trips because of a physical and/or cognitive condition. Each year, DATS provides nearly one million trips to approximately 10,000 registered clients so they can reliably access work, medical, recreational and educational services.	\$28 Million [Annually]
Minor Sports Subsidy  Program and Service Review Classification: Recreation and Culture/ Recreation and Sport Facility Access Service	For groups providing sport and recreation to residents 18 and under, they are eligible for discounts up to 50 per cent of the base rate for their use of space in City facilities. Taking into account arenas, pools, recreation centres, and sports fields, the value of offering this subsidy was \$6.6 million in 2015.	\$6.6 million [Annually]
<b>Affordable Housing</b>		
Affordable Housing Funding Programs  Program and Service Classification: Social Support/ Housing Service	Cornerstones 1: Between 2006-2011, the City of Edmonton invested \$35 million in affordable housing, with an additional \$110 million from the Government of Alberta (Cornerstones I project). <sup>2</sup>	\$35 million (cumulative) from 2006 - 2012.
Affordable Housing Funding Programs  Program and Service Classification:	Cornerstones 2: Between 2012-2016 the City of Edmonton has or plans to spend an additional \$27.2 million on affordable housing to meet the needs of the community, without any additional funding support from other orders of government. <sup>3</sup>	\$27.2 million allocated from 2012 - 2016  CS2 Actual Grant Expenses

<sup>2</sup> City of Edmonton, report CR\_3271 to Council May 3, 2016, "Affordable Housing Investment Plan."  
<http://sirepub.edmonton.ca/sirepub/mtgviewer.aspx?meetid=1697&doctype=agenda&itemid=53578>

<sup>3</sup> City of Edmonton, report CR\_3271 to Council May 3, 2016, "Affordable Housing Investment Plan."  
<http://sirepub.edmonton.ca/sirepub/mtgviewer.aspx?meetid=1697&doctype=agenda&itemid=53578>

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Social Support/ Housing Service		2013- \$495,056 2014-\$1,410,814 2015-\$2,069,784 2016-\$6,451,064 2017-\$3,563,448
Affordable Housing - Future Funding Commitments  Program and Service Classification: Social Support/ Housing Service	An affordable housing investment plan has been designed for 2017-2021 to increase the supply of affordable housing to meet the low income housing needs in the community, to combat homelessness as well as to maintain the existing affordable housing infrastructure.	\$132 million will be committed to support the further development of affordable housing over the next four years. This money is intended to leverage a further \$377 million in partner contributions.
Affordable Housing Funding Programs  Program and Service Classification: Social Support/ Housing Service	Annual Operating Grants to GEF, Capital Region Housing Corporation and Homeward Trust	2017 Amounts were as follows: GEF Operating Grant \$4.0M GEF Housing and Homelessness Grant \$1.26M Homeward Trust Housing Grant \$1.24M Capital Region Housing Corporation \$0.55M
Landlord and Tenancy Advisory Services  Program and Service Classification: Social Support/ Landlord and Tenant Advisory Service	The Landlord and Tenant Advisory Board (LTAB) provides advice and information, mediation services, eviction prevention and public education to residential tenants and landlords to address tenancy issues and ensure that both tenants and landlords are aware of their rights and obligations pursuant to the Residential Tenancies Act and the Mobile Homes Sites Tenancies Act.  The Landlord and Tenant Advisory Board serves over 30,000 clients per year and provides services to both	LTAB annual net budget which also partially contributes towards the City of Edmonton's contribution towards matching the FCSS Provincial funding

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	callers and walk in clients at the storefront location.	2013- \$509,281 2014- \$518,318 2015- \$507,237 2016- \$545,205 2017- \$518,131
<b>Policing</b>		
Ineffective Funding Formulas	<p>From 2013 onward the Municipal Policing Assistance Grant provides the City with a grant of \$16 per capita. The per capita funding formula to support municipal policing is not indexed. While the funding grows with population the purchasing power diminishes over time as the city addresses cost escalation and inflation. The formula does not account for the disproportionate responsibilities big cities like Edmonton have.</p> <p>The City has experienced inflation ranging from 3.64 percent to 1.39 percent from 2010 to 2015 and is projecting further increases in the range of 1.91 percent to 3.06 percent between 2016 and 2020<sup>4</sup>. Without inflationary increases, funding is effectively eroded leaving the City with the burden of funding the shortfall.</p> <p>Applying an average inflation rate of 2 percent per year for five years, base municipal funding would be higher in 2018 by \$1.2 million.</p> <p>The City of Edmonton's funding for policing services is based upon the same/similar funding formula as small/rural municipalities without taking into consideration the additional demands that a large municipality experiences. For example, the City of Edmonton is home to seven federal and provincial correctional facilities that currently house more than 1,300 inmates.</p>	To be determined.
Provincial Changes with Municipal Impacts	Due to a number of national and provincial developments, such as the New Edmonton Remand Centre (NERC), the inmate population in Edmonton-based facilities is set to increase by more than 2,200 within a 10-year span. Despite no significant change in the number of prisoners held at these various facilities during a recent four-year period, there was a substantial increase in calls from inside the institutions for service by police, from 360 to 644 per year over the	To be determined.

<sup>4</sup> Rose, J. and Kahara, G. 2016. "Economic Insights: Municipal Price Index 2016, the City of Edmonton." [http://www.edmonton.ca/business\\_economy/documents/MPI%202016.pdf](http://www.edmonton.ca/business_economy/documents/MPI%202016.pdf)

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	<p>past four years. In 2011, the costs associated with the time for initial patrol response to these occurrences was approximately \$400,000 [preliminary estimate – updates required]. With the increase in number of beds at these facilities over the near future, it's reasonable to anticipate that the numbers of calls for service (and associated costs) will also increase substantially.</p>	
<p>Peace Officer Program</p> <p>Program and Service Classification: Public Safety/Bylaw and Provincial Act Enforcement</p>	<p>Upcoming changes to the provincial Peace Officer program (mandatory upgrading front line officers to Peace Officer 1 level) will result in compensation, training and equipment costs.</p>	<p>Compensation - \$250k (ongoing)</p> <p>Training - \$3,000 per officer</p>
<b>Taxation and Assessment</b>		
<p>Transfer/support of assessment services</p> <p>Program and Service Classification: Civic and Council Services/Tax Collection Service</p>	<p>In the 1990s, the province stopped providing assessment services to municipalities (this included most smaller jurisdictions - not Edmonton). The result is a fragmented approach to legislative reform with few positive outcomes. The cost to Edmonton and other municipalities is difficult to estimate but is likely in the millions of dollars province wide over the past few years.</p> <p>The province also used to be the training hub for property assessors. This function now rests mostly with the municipality.</p> <p>Starting in 2018, the province is no longer billing the City to complete the linear assessments which is a savings of approximately \$80k.</p>	<p>~\$200,000 annually</p> <p>~\$200,000 annually</p> <p>~\$(80,000 annually)</p>
<p>Exempt properties</p> <p>Program and Service Classification: Civic and Council Services/Tax Collection Service</p>	<p>The City of Edmonton is home to a number of provincial properties that are exempt from taxes, such as hospitals, universities and social services. While these properties provide benefit to Edmonton as they employ residents of the city and result in increased investment they also provide benefit to more than just the population of the City of Edmonton.</p> <p>There are over 3,500 exempt properties in Edmonton that equate to approximately \$180 million annually in tax burden shifted to Edmonton tax payers. Some of these categories would likely never be taxable, such as</p>	<p>~\$180 million [Annually]</p>

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	<p>elementary schools and churches, but others include properties unique to big cities.</p> <p>Major hospitals, universities and nonprofit entities concentrate in the big cities, but benefit the provincial population as a whole. These facilities provide valuable services to the province, but are subsidized by local taxpayers to cover the municipal service costs. Estimated costs by category include, but are not limited to:</p> <ul style="list-style-type: none"> <li>● Hospitals/Health Care: ~\$45M</li> <li>● Universities: ~\$45M</li> <li>● Nonprofits and social services: ~\$30M</li> <li>● Alberta Social Housing: ~\$54M - This is a new category where grants have been reduced in the past couple of years.</li> </ul>	
Provincial Service Subsidy	Major municipal centres like Edmonton bear the full cost of police and road maintenance, while other smaller jurisdictions receive funding or provincially delivered service such as free or reduced policing (RCMP) <sup>5</sup> and road maintenance (provincial highway system).	TBD
Approved and Pending Exemption Changes	Farm buildings have been made exempt through provincial legislation, approximately \$70,000 annually. This has also resulted in an increase to the education tax paid by all taxpayers.	~\$470,000 Annually
Program and Service Classification: Civic and Council Services/Tax Collection Service	The province has also proposed exempting bingos from taxation, which will have an impact of approximately \$400,000 if approved.	
Farmland Valuation	The province dictates how farmland is to be valued. It is a regulated rate that has not been adjusted for ~20 years. Although the municipal tax (tax rate can be adjusted on the class to compensate, the education tax cannot. The result is that ~\$40-50M of education tax is shifted to other property owners. Edmonton property owners assume responsibility for about 20 percent of that amount.	~\$5 million annually through education tax levy
Program and Service Classification: Civic and Council Services/Tax Collection		

<sup>5</sup> City of Edmonton, 2016. "The Way We Finance – Property Assessment and Taxation White Paper." [http://www.edmonton.ca/city\\_government/documents/TWWF\\_Assessment\\_and\\_Taxation\\_White\\_Paper.pdf#search=tax white paper](http://www.edmonton.ca/city_government/documents/TWWF_Assessment_and_Taxation_White_Paper.pdf#search=tax%20white%20paper)

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Service		
<b>Other areas being quantified</b>		
Cannabis Legalization and Regulation  Program and Service Classification: Public Safety/Bylaw and Provincial Act Enforcement	<p>The City of Edmonton is facing significant public policy impacts as a result of the Government of Canada's introduction of cannabis legalization and regulation. There are demands for a range of municipal services and resulting costs as our municipal government picks up where the federal and provincial governments leave off.</p> <p>The Government of Alberta announced October 15, 2018 that it will be sharing some of the cannabis excise tax revenue with municipalities to help offset municipal costs for the implementation of cannabis legalization and regulation. However, the amounts being shared with municipalities are much lower than our anticipated costs: Edmonton allotment = \$1.75M (18/19) + \$1.1M (19/20); Edmonton costs = \$4.3M (2018); \$8.5M (2019).</p> <p>As a result, Edmonton property tax payers absorb a disproportionate share for some of the implementation of this federal and provincial legislation.</p>	Shortfall: \$2.55M - 2018 \$7.4M - 2019
Combative Sports	The regulation of combative sporting events has been downloaded to municipalities. Alberta currently does not have a provincial commission and conversations with other levels of government are ongoing. CR_5552 provides more information on this topic.	\$180k annually

### **Earned Days Off**

The Earned Day Off (EDO) program requires individuals to work additional time each day in order to accumulate time off as a part of a regular work schedule. Also known as compressed work days, individuals typically work 9 days of longer hours to have the 10th day off. Flexibility in hours of work is a common practice in many organizations as a means by which employees can manage and redistribute their working hours around organizational and personal demands.

At the City of Edmonton, approximately 37 percent of full-time permanent employees are eligible to participate in the program and they generally consist of CSU 52 and non-union staff. Only full-time employees are eligible to participate in compressed hours of work programs. The nature of these positions range from internally facing corporate services to operational areas. Compressed work weeks typically condense a full-time work schedule and responsibilities into fewer than five days per week or fewer than 10 days in two weeks.

Participation in compressed work day arrangements is at the discretion of management and scheduling is managed by supervisors. One factor that management considers is whether the

position lends itself to a compressed work week arrangement. Not all individuals who are eligible to participate in the EDO program do.

The EDO program is cost neutral given employees participating in the program work extra time each day to earn the day off. While a limited number of days can be banked as time off, they cannot be paid out. A productivity analysis of all eligible positions and the impact to services is not possible.

With a compressed hours schedule, the employee can arrange non-work related activities during the scheduled day off. The organization provide EDOs with the understanding that employees take care of personal demands that they may not be able to attend to on weekends, such as doctor appointments, home repair work, or volunteering. For example, in the City of Edmonton Management Administrative Guidelines it states: “Employees are expected to arrange medical and/or dental appointment on their EDO’s whenever possible.”

In order to attract and retain quality employees, the City of Edmonton highlights the EDO program as allowing flexibility in work hours as a strong value add. The EDO program is a critical element of the City of Edmonton’s total compensation package, recognizing that great talent is attracted not only by salary and exciting opportunities, but also by the organization’s clear commitment to supporting a work-life balance. The City has been recognized as one of Alberta’s top 70 Employers in 2018. This is in part due to the flexible work arrangements offered, including the Earned Day Off Program.

<b>Corporate Outcome(s): The City of Edmonton has a resilient financial position</b>			
<b>Outcome(s)</b>	<b>Measure(s)</b>	<b>Result(s)</b>	<b>Target(s)</b>
The City of Edmonton has a resilient financial position	Fulltime Equivalents (FTE) per Capita	14.9 FTE per 1,000 population	No target has been established.

**Attachments**

1. Tax-Supported FTEs Per Capita

**Others Reviewing this Report**

- C. Owen, Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- K. Armstrong, Deputy City Manager, Employee Services
- R. Smyth, Deputy City Manager, Citizen Services
- P. Ross, Acting Deputy City Manager, Urban Form and Corporate Strategic Development