

2014 Councillors' Office Budget

Staff Support Budget Increase

Motion on the Floor

That the following Motion on the Floor be postponed to the June 17, 2013, Council Services Committee meeting:

MOVED: D. Iveson (Made at the February 4, 2013, Council Services Committee meeting):

That Council Services Committee recommend to City Council:

That the 2014 Office of the Councillors' Operating Budget - Common Budget, be prepared on a discounting basis, consistent with City practice by Administration once the staffing costs are known after the 2013 Election.

Recommendation:

That the Motion on the Floor be amended by deleting "2013" and "once the staffing costs are known after the 2013 Election".

Report Summary

This report provides information regarding staffing budgets for the Office of the Councillors and the practice of personnel cost discounting.

Previous Council/Committee Action

At the February 4, 2013, Council Services Committee meeting, the above Motion on the Floor was postponed to be dealt with in conjunction with the following motion passed by the

Committee:

That Administration provide a report to the June 17, 2013, Council Services Committee meeting about the history of the budget increases for staff support for individual Councillors' offices for the past six years.

Report

Personnel cost discounting is a budgeting strategy currently employed by the civic departments in order to more accurately budget for personnel costs. It is a strategy that estimates savings in wage, salary and benefits costs that result from attrition or other planned or known vacancies. These savings are discounted in the following ways:

Attrition: Attrition is the result of a vacancy due to resignation, retirement, etc. Discount estimates are based on the four- to six-week time lag that generally occurs when positions are recruited. Benefits costs are also discounted for attrition for the affected positions as no benefits are paid when a position is vacant.

Planned/Known Vacancies: These vacancies include other types of leave and would normally be identifiable based on the plans of employees. In larger departments, discount estimates are often based on analysis of historical information.

The practice of personnel cost discounting is governed and directed by Financial Services and Utilities.

There is no standard discounting rate applied across the City of Edmonton. The rate varies based on the unique

working environments of each branch. On an annual basis each department assesses its current state and identifies an appropriate personnel discount rate for budgeting purposes. For example, the Corporate Services Department applies a 4 percent personnel discounting on average.

At the February 20, 2013, City Council meeting, the 2013 Office of the Councillors' common budget was reduced by \$50,000 on an ongoing basis to allow for personnel discounting. This reduction represents a discount rate of 3.5 percent.

It is recommended that the practice of discounting continue with the Office of the Councillors operating budgets, based on Administration's annual assessment of the appropriate discount rate.

History of Staff Support for Councillors

Staff support for Councillors has evolved from one executive assistant per office to an executive assistant and part-time research assistant. As well, three administrative assistants provide support to all Councillors. In 2009, each ward (individual) budget received an increase of \$6,666 (\$80,000 in total) to increase hours and salaries of research assistants.

Base salaries were established for Executive Assistants effective 2006 and for Research Assistants effective 2011. Salaries have been adjusted to reflect general economic increases provided to out-of-scope City employees. Current salary ranges are: executive assistants - \$31.76 to \$39.98 per hour; research assistants - \$18.46 to \$23.89 per hour.

If Councillors would like funding for full-time research assistants, a service package could be prepared for the 2014 budget.

Others Reviewing this Report

- L. Rosen, Chief Financial Officer and Treasurer