



**PERSONNEL SUMMARIES
2008 - 2012**



PERSONNEL SUMMARIES

The Regional Municipality of Wood Buffalo's corporate values declare the organization's commitment and investment in human resources. At the heart of the corporate values are such statements;

- **EMPOWER OUR PEOPLE**, "Encourage our people to take calculated risks, make informed decisions, learn from their mistakes, achieve more, and operate "outside of the box." We will facilitate this by providing resources to get the job done, celebrating successes, listening to our people and team building"
- **OUR PEOPLE**, "We value safety, meaningful work, work-life balance, learning, mutual support and respect"

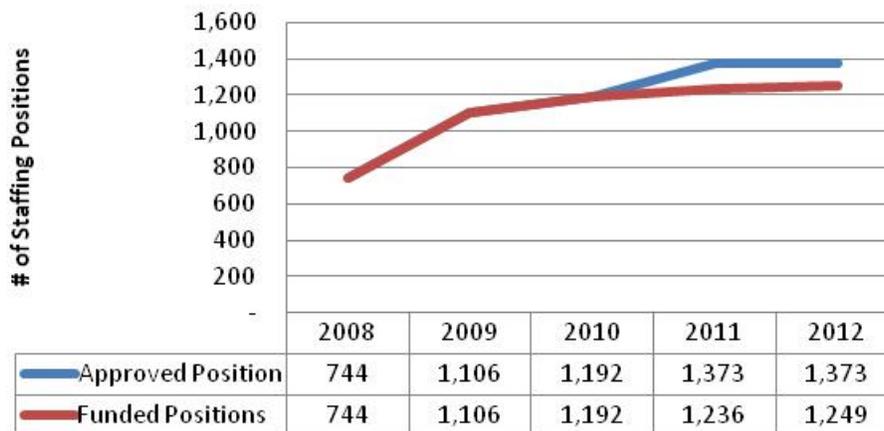
The Municipality remains committed to these values and strives to remain an employer of choice.

OVERVIEW

The Regional Municipality of Wood Buffalo has 1,373 approved staff positions. As of the end of the 3rd quarter of 2011, 1,249 positions were active. 124 positions were defunded in the approved 2012 budget. This is in line with ongoing staffing rationalization. Departments requested a total of 25 new positions in 2012. These requests are accommodated within existing positions and are partially funded in 2012.

The graph below shows the trend from 2008 to 2012:

**Position Count and Funding
2008 - 2012**

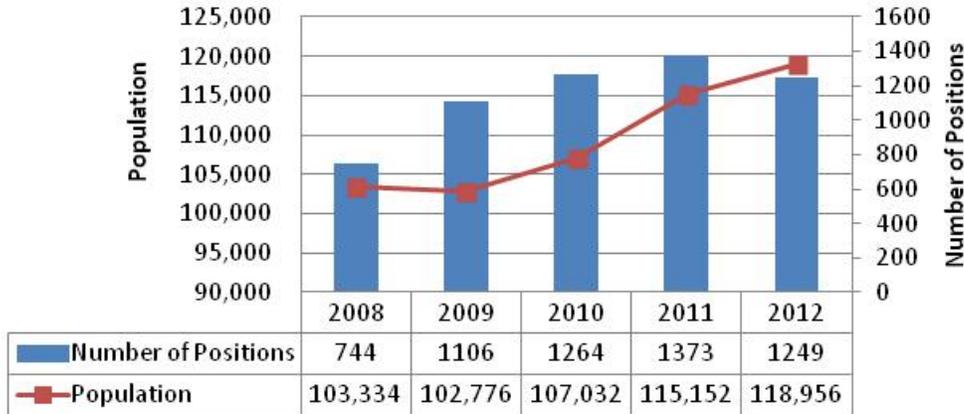


POPULATION AND EMPLOYEES

Total employee count has grown in tandem with population growth. This is expected as service and infrastructure demand has also increased.

Population and Positions

2008 - 2012

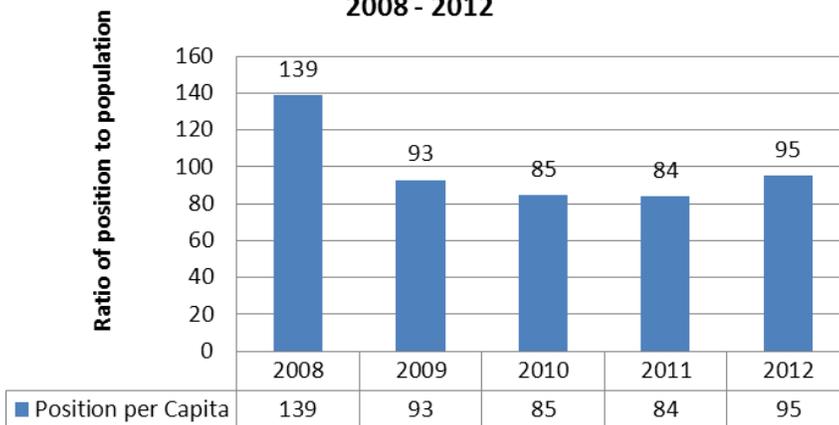


EMPLOYEE PER CAPITA

A benchmark measure that is used to evaluate relative workload per employee is the ratio of employee count to total population. For the Regional Municipality of Wood Buffalo the 2008 ratio of 1:139 indicates a high ratio compared to other jurisdictions and is in line with prevailing situation at the time when it was extremely difficult to recruit and the labor market was excessively competitive in the region.

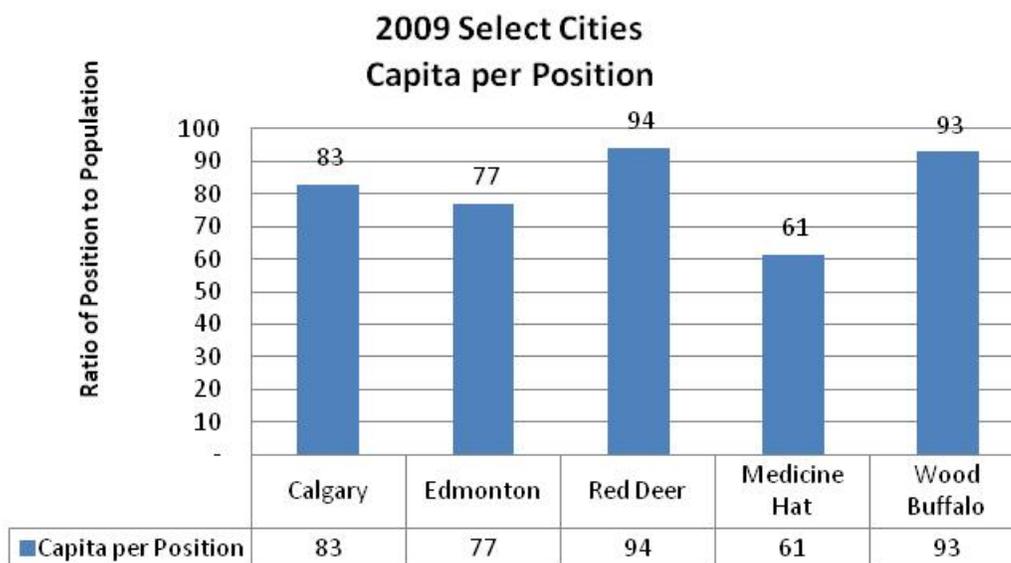
Position per Capita

2008 - 2012



This ratio can also be used to evaluate the size of total employees for an organization relative to other organizations. The chart below is a comparison of the employee to population ratios for 2009 in selected Municipalities.





Comparatively, in 2009, the Regional Municipality of Wood Buffalo had a ratio of staff position to population of 1:93. This was within trend in relation to selected municipalities. Current data for other Municipalities is not available. However, the Regional Municipality of Wood Buffalo's ratio is projected to have a ratio of 1:95 in 2012.

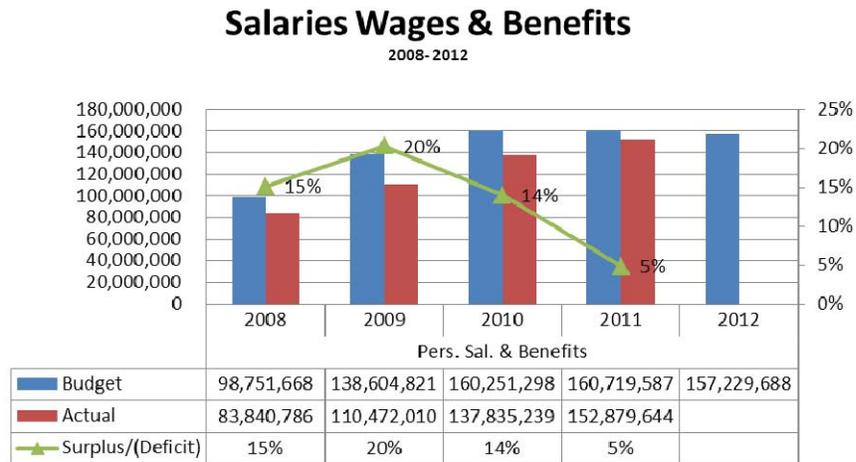
However, this measure is critical and yet contextual.

- The comparison is based on 2009 official population and employee counts published by Alberta Municipal Affairs. For Regional Municipality of Wood Buffalo, the official population number is significantly lower in comparison to Municipal population records
- While this comparison is a useful tool, it does need to be adjusted for differences in the service delivery models and sophistication of Enterprise Resource Planning technology
- The measure must be adjusted for relative labor market structure and competition as well
- A higher ratio may indicate a level of inefficiency in operations or high dependence on manual processes while a lower ratio would indicate a mature process regime that utilizes more technology as well as contracted services
- Fluctuations between years may be a function of labor market and talent mobility or lack of as well as reorganization and realignment within an organization



2012 APPROVED PERSONNEL BUDGET

The approved 2012 personnel budget is **\$157,229,688**. This represents a 2% decrease over the 2011 approved budget. The Municipality has experienced challenges regarding its personnel budget that have resulted in persistent positive variances in recent budget years. Steps have been taken to address contributing factors to these positive variances. The graph below indicates personnel budget performance from 2008 to 2011.



There are several reasons that have led to positive variance positions over the years:

- **Regional Full Employment Rate:** The regional labor market has been at full employment over the review period
- **Union Agreements:** Union contract provisions have directed preference to internal candidates. This has resulted in placement of internal candidates or at least consideration, a process which takes considerable time. If internal candidate is successful, their placement creates a vacancy. This resulted in a structural vacancy rate as 45% of placements have been internal. In instances where, a decision is made to consider external candidates, potential candidates would have secured employment elsewhere. The new agreements with unions have relaxed some of the preference for internal candidates so as to limit internal mobility without jeopardizing opportunity for employees
- **Budgeting Model:** Up until 2009, most departments provided full year budget allocations for vacant previously approved and new positions. Some departments prorated newly approved positions based on hiring schedules
- **Limited Labor Market:** The region has limited labor resources and depends on labor markets external to the region. Relocation is not an easy decision. In that regard, incentives attractive enough are required to entice potential employees to the region

2012 Budget Development Principles

A number of tactical approaches have been employed to develop the 2012 personnel budget and 2013 – 2014 plan. These strategies are designed to act in concert towards increasing recruitment success rate and retention thereby addressing the personnel budget surplus. The majority of these strategies were employed during 2011 and indications are some significant cost containment has been realized with resultant reduction in variances.

The major strategies include:

- Live within the approved 1,373 approved positions. Defunded 124 positions resulting to only funding 1,249 positions for 2012 onwards
- Assign new staffing requests to existing positions that have been difficult to recruit or have remained unfilled for a long time and partially fund vacancies based on estimated hiring dates in 2012
- Incorporate an across the board 10% reduction to 2012 personnel budget to accommodate structural vacancies
- Review business need for all long-term vacancies
- Review lines of business and service delivery models
- Review recruitment processes to achieve efficiencies in competitive labor region

2012 Personnel Budget Pressures

As an employer, the Municipality does experience certain budgetary pressures related to personnel. The major ones are: Pension Contributions, Health and Dental Contributions and Cost of Living Adjustments.

Health and Dental Contributions:

The Regional Municipality of Wood Buffalo after solicitation of health and dental carriers engaged a new provider in recent years. This change resulted in significant savings for both the Municipality and employees in financial and process terms.

Cost of Living Adjustments:

CUPE and IAFF contracts were successfully settled and will cover 2011 - 2013.

PERSONNEL CHANGES IN 2012

In light of the organization rationalization in 2011 as well as strategies put in place to address a structural vacancy rate, all staffing requests have been considered and accommodated within existing approved positions and associated funding. Of the 1,373 approved positions, 124 have been defunded and 1,249 funded for the 2012 budget.

