Agenda – Executive Policy Committee – March 19, 2014

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

ADDENDUM REPORTS

Item No. 7 Full Time Equivalent (FTE) Complement

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the 2013 FTE Complement, provided as Attachment 1 to this report, be received as information.

2. That, on a go-forward basis, quarterly reporting on actual FTEs be provided to the Standing Policy Committee on Finance.

3. That the Director of Corporate Support Services maintains the authority to approve temporary position changes within the Public Service to carry out council policy provided funds are available in a department's operating and capital budgets and will not cause an overall departmental budget over expenditure.

4. That, based on the 2013 FTE analysis and past actual experience, the following FTEs be approved and included in the 2014 FTE Complement Report as a one-time adjustment.
   a. Community Services – (4.00) FTE
   b. Corporate Support Services – 14.20 FTE
   c. Planning, Property & Development – 9.00 FTE
   d. Transit – 117.00 FTE
   e. Winnipeg Fire Paramedic Service – 13.83 FTE
   f. Winnipeg Fleet Management Agency – 7.00 FTE

ADMINISTRATIVE REPORT

Title: **FULL TIME EQUIVALENT (FTE) COMPLEMENT REPORT**

Critical Path: **Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
R. Marsh	L. Burch	M. Ruta	D. Joshi A/CAO

RECOMMENDATIONS

1. That the 2013 FTE Complement, provided as Attachment 1 to this report, be received as information.

2. That, on a go-forward basis, quarterly reporting on actual FTEs be provided to the Standing Policy Committee on Finance.

3. That the Director of Corporate Support Services maintains the authority to approve temporary position changes within the Public Service to carry out council policy provided funds are available in a department's operating and capital budgets and will not cause an overall departmental budget over expenditure.

4. That, based on the 2013 FTE analysis and past actual experience, the following FTEs be approved and included in the 2014 FTE Complement Report as a one-time adjustment.
    a. Community Services – (4.00) FTE
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    f. Winnipeg Fleet Management Agency – 7.00 FTE

REASON FOR THE REPORT

Executive Policy Committee, at its meeting on July 10, 2013, passed the following motion:

- *"That the Chief Administrative Officer implement position management at the City of Winnipeg that enables transparent and budget-aligned reporting regarding our workforce, including FTEs (Full Time Equivalents) and vacancies.*
- *That an initial Civic Establishment Report be delivered to Executive Policy Committee by December 31, 2013, and that it be integrated into the budget process and produced and delivered to Council on an annual basis thereafter."*

The Standing Policy Committee on Finance, at its meeting on September 13, 2013, passed the following motion:

> "The Standing Policy Committee on Finance requested that, following delivery of the first Civic Establishment Report to Executive Policy Committee, the Winnipeg Public Service be requested to provide updates within the quarterly Financial Status Report and Forecast which include the number of actual Full-Time Equivalent Positions (FTE's) to Committee."

IMPLICATIONS OF THE RECOMMENDATIONS

Reporting on the FTE Complement enables:

- Budget-aligned reporting on how the City's human resources are organized and utilized across the organization to deliver programs and services to citizens
- Quarterly and annual reporting on actual FTEs
- Increased transparency and accountability to City Council and the public by setting a baseline for reconciliation with the budget
- A mechanism for analysis of full-time equivalents (FTEs), assisting Council and the Public Service in budgeting, planning, decision-making, and determination of resources required to deliver on Council-determined service levels

HISTORY

The City of Winnipeg has not produced an official Civic Establishment since the mid-1990s. Following a change from the Board of Commissioners to a Chief Administrative Officer management model, position-related changes were approved by Council through individual departmental operating budget submissions and special operating agency (SOA) business plans. Therefore, up until the present time, a formal Civic Establishment was not maintained. Departments managed their human resources at the salary budget level.

Historically the Establishment only dealt with Permanent positions. Temporary, part-time, and/or seasonal positions were managed at the purview of the Public Service provided sufficient salary dollars existed.

Until recently the Public Service did not have the tools available to extract and report on actual FTEs. Through the extraction of payroll data, every hour paid is now accounted for and included in FTE actuals. This includes Permanent, Temporary, Part-Time and Seasonal work.

Methodology
Actual FTE data was extracted from the payroll system while the budgeted FTE data was retrieved from the budget system.

Job codes identify a position's classification and compensation rating, standard hours of work, bargaining unit, and other attributes for any one position and/or a group of positions within the organization. Job code was the consistent field in payroll and budget data sources; therefore, using the job code as the primary filter on the payroll data ensured that every regular hour paid under any one job code was counted.

Total regular hours paid were divided by standard working hours to verify the number of FTEs. This information was tested and verified as accurate information by operating departments, as well as Corporate Finance, and Human Resource staff of Corporate Support Services to ensure that the methodology was sound.

Reconciliation with the Budget Process

FTE analysis on several years' data was conducted to compare actual FTEs to budgeted FTEs approved through the annual operating budgets to achieve a benchmark FTE complement for 2013. Analyzing the data from a multi-year period ensured the data extracted is accurate and reflective of regular hours paid, and helped to identify and flesh out any anomalies.

Through the reconciliation process, a total of 157.03 FTEs were not reflected as FTEs in the 2013 operating budget. These FTEs were funded from Council approved operating and capital budgets, recoveries and/or external grants. All FTEs regardless of funding source will be included in the 2015 operating budget process. A detail of FTEs to be included in this one time reconciliation to the 2013 operating budget is included in Attachment 2.

Variances +/-, between budgeted and actual FTEs occur due to operational need, staff turnover, and service demand which is unanticipated. These operational variances are as a result of an increase to our temporary, part-time and/or seasonal workforce to deliver a service or meet a specific short term need e.g. Flood. Departments may extend the hours or work terms of existing staff or add net new temporary positions provided they have sufficient funds available within their salary budgets and/or an alternate funding source is secured e.g. grant or recovery. The Actual FTE overages as compared to the 2013 FTE Complement are detailed in Attachment 3.

Special Circumstance – Transit

The FTE analysis identified a special circumstance related to the calculation of FTEs associated with Bus Operators. The standard methodology which looks at regular hours worked divided by the annual standard hours did not reflect the true FTE count required for service delivery.

Historically, FTEs associated with Bus Operators were calculated based on bus service hours delivered to the public. In order to migrate from the historic method of assigning FTEs, consideration of unassigned labour was required. As such, the number of FTEs has been recalculated based upon the number of Bus Operators required to deliver these service hours continuously without interruption, which includes paying individuals for backfilling of positions to undertake training, vacation and sick coverage and other duties. To do this, a pool of Bus Operators is maintained. Future budgets will be amended to include the unassigned pool of Bus Operator FTEs.

It is important to clarify that while the FTEs will be adjusted, the impact on operating budget dollars is neutral. The funding for these FTEs exists in salary and benefit accounts and has been approved by Council through the annual budget and separate reports to deliver the service level.

The FTE Complement Report
The FTE Complement report is an analysis of actual FTEs compared to budgeted FTEs at the department level.

Actual FTEs are reflective of the total people hours worked divided by the standard annual hours worked under a specific job code. They include permanent, temporary, full-time, part-time, salaried, hourly, seasonal, casual and student positions that support the City's programs and services, regardless of position funding source.

It should be noted that the FTE Complement does not reflect the number of positions the Public Service uses to deliver its services and programs, nor is it an employee "headcount" report. As an example, two half-time positions occupied by two different people would still equal one FTE. Reporting on FTEs is one of a variety of metrics used to report on the workforce as reflected in Attachment 4.

Next Steps

Each year, following Council adoption of the Operating Budget, administrative control systems will be amended to reflect the budgeted FTEs for reporting purposes.

Permanent FTEs will be added or deleted from the establishment through the annual budget approval process or through a separate report to Council during the year.

Consistent with past practice Departments may increase temporary, part-time, seasonal FTEs provided they have sufficient funds available within their salary budgets to meet operational or service demands.

The FTE Complement Report will be used to satisfy the requirement for quarterly reporting on actual FTEs expended as requested by the Standing Policy Committee on Finance September 13, 2013.

FINANCIAL IMPACT

Financial Impact Statement **Date:** March 14, 2014

Project Name: **First Year of Program** **2013**

Full Time Equivalent (FTE) Complement Report

	2013	2014	2015	2016	2017
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

There is no financial impact associated with this report.

Original signed by B. Heckert for:
Radhika Abeysekera
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Corporate Finance Department
City Departments

SUBMITTED BY

Department: Corporate Support Services
Division: Human Resource Systems and Research
Prepared by: R. Marsh, Manager of Human Resources, Systems & Research
Date: March 14, 2014
File No.

ATTACHMENTS:

Attachment 1 – FTE Complement Detail Report


Attachment 1 - FTE Complement Detail Re

Attachment 2 – Reconciliations and Adjustments to 2013 Operating Budget


Reconciliations & Adjustments 2013 Op

Attachment 3 – Actual FTE overages as compared to 2013 FTE Complement


Actual FTE overages as compared to 2013

Attachment 4 –2013 Workforce Metrics


Attachment 4 - 2013 Workforce Metrics .pd

Attachment 5 –Definitions


Attachment 5 - Definitions.pdf