

COUNCIL REPORT

To: Mayor and Council
From: Operations
Date: October 22, 2021
Subject: Electrical Services Review

RECOMMENDATION:

THAT Council receives this report for information.

BACKGROUND:

At the Regular Meeting of August 9, 2021, Council requested staff bring back a report analyzing the costs associated with hiring an electrician on staff in comparison to contracting out electrical services. The following provides a breakdown of the District's expenditures over the last two years and an estimated cost for wages and benefits of a new employee.

2020		2021	
Capital Labour	\$19,631.86	Capital Labour	\$119,382.00**
<u>Capital Materials</u>	<u>\$2,904.75</u>	<u>Capital Materials</u>	<u>\$ 1,390.90</u>
Total Capital:	\$22,536.61	Total Capital:	\$120,772.90
Operational Labour	\$28,742.95	Operational Labour	\$ 22,211.00
<u>Operational Materials</u>	<u>\$6,878.70</u>	<u>Operational Materials</u>	<u>\$ 9,652.78</u>
Total Operational:	\$35,621.65	Total Operational:	\$ 31,863.78
TOTAL 2020:	\$58,158.26	TOTAL 2021:	\$152,636.68

***Primarily allocated to the RV Park Electrical Upgrade*

Capital and operational expenditures have been separated in this analysis as timing and scope of capital projects fluctuate with available funding from provincial and federal governments and the needs of local government at the time and throughout the long-term financial and asset management plans. To measure expenditures of electrical services including capital projects could present a shaded perspective. Operational expenditures is more stable and consistent to measure against regarding electrical contracting as this would include typical assignments a new employee might be responsible for.

New Employee Wages and Benefits

In review of the Collective Agreement and typical training and certification requirements, staff estimate the following wages and benefits for a new full-time employee at 40 hours per week.

Position	Wage Rate Est.	Annual Wages Est.	Benefits Est.	Total Annual
Electrician	\$39.24	\$81,619	\$44,891	\$126,510

Summary

Based on this analysis, at this time, contracting out is more economical than hiring a full-time electrician.

COUNCIL PRIORITIES:

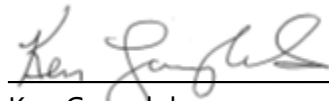
Fiscal Sustainability

- Ensure District Services are delivered in an economically, socially, and environmentally responsible manner
- Improve and maintain infrastructure and undertake asset management as an ongoing corporate function

Good Governance

- Provide services that support our quality of life, protect our health and safety, and promote economic and the social well-being of our community

Respectfully Submitted,



Ken Gawryluk
Interim Director of Operations
Acting Chief Administrative Officer