



The Corporation of the Town of Tecumseh

Corporate Services & Clerk

To: Mayor and Members of Council

From: Laura Moy, Director Corporate Services & Clerk

Date to Council: December 10, 2019

Report Number: CS-2019-46

Subject: Management and Non-union Administrative Support Staff
and Council Economic Salary Adjustment for 2020

Recommendations

It is recommended:

That an **annual economic adjustment** for 2020 of 2.0% **be approved**, effective January 1, 2020, for the Management and Non-union Administrative Support Staff Salary Schedule (Salary Grid), in accordance with the Compensation and Salary Administration Policy No. 67;

And that an **annual economic adjustment** for 2020 **be approved** as follows, in accordance with By-Law No. 2006-84, as amended, being a by-law to provide for the remuneration of Members of Council:

Mayor	2.0%
Deputy Mayor	0.5%
Councillors	1.0%

Background

Compensation and Salary Administration Policy

The Compensation and Salary Administration Policy No. 67 provides the framework for the annual compensation to be paid to the Management and Non-union Administrative Support Staff.

The Policy is comprised of two components:

1. Annual Economic Adjustment – upon approval by Town Council and reflected in the Salary Grid;
2. Advancement within the Salary Grid for the pay grade of the Management and Non-union Administrative Support Staff employees is based upon completion of the Performance Evaluation, which includes achievement of the objectives established for the year and satisfactory performance in the competencies and demonstrated abilities applied by the employee in their duties for the year, as attested by their Director and the Chief Administrative Officer, in the case of Directors.

In each year, an adjustment to the Salary Grid will be made, to be effective January 1st and in doing so shall be made in accordance with:

- “the Director Corporate Services & Clerk, or designate, surveying the ten (10) comparators used in this report to determine the general percentage increase in the market place. The Director Corporate Services & Clerk can request from our firm the “average/median range adjustments for Municipalities/Public Sector employers. McDowall Associates conducts a Public/Not-for-Profit Salary Planning Survey and publishes results for positions typically in the fall of each year. Council can determine the percentage adjustment for the Town of Tecumseh salary ranges having regard to the external pay market, negotiated increases, compression and ability to pay. Any changes to salary ranges will be recommended and approved through the annual Budget process.”¹

Movement through the salary grid by an employee should be based on delivery of successful performance for the year prior. Successful performance, as defined and measured in a performance management program, would provide the employee with a one-step movement.

Comments

Salary Grid

The 2015 Salary Grid for the Non-union Management Group was approved by the Personnel Committee in October 2015. The Salary Grid was approved based on the Gallagher McDowall Associates Report Outlining the Result of a Compensation and Pay Equity Review for Non-

¹ Gallagher McDowall Associates Report Compensation and Pay Equity Review for Non-union Positions, dated October 9, 2015, accepted by Council October 13, 2015

union Positions, dated October 9, 2015 (McDowall Report). The Salary Grid is comprised of ten (10) classification levels, with each of the classifications having five (5) salary steps allowing for a 4.0% increase at each step.

Economic Adjustment

According to Statistics Canada the Ontario CPI increase for September 2019 over September 2018 was 1.9%. OMERS announced that pensions will increase by 1.89%.

The recently negotiated Collective Bargaining Agreements for CUPE Locals 702.1 (Full-time Outside), 702.2 (Full-time Inside) and 702.5 (Part-time Inside) provide for annual increase and benefit enhancements of 2.0% for the union staff in these bargaining units. The current Employment Agreement for Tecumseh Firefighters' Association (TFA) also provides for an annual salary increase of 2.0% in 2020.

The economic increases for the ten comparator municipalities used in the McDowall Report are not yet fully known at this time. The information currently available from the comparators range from 1.5% to 2.0%.

Grid Advancement Based on Performance

Evaluations are being carried out for each Management and Non-Union Administrative Support Staff on their respective achievement of objectives, recognized job performance and productivity in relation to certain established criteria and organizational objectives, in 2019.

Step increases may be recommended by Directors, for their respective management and non-union support staff, and the Chief Administrative Officer, for all Directors, who are not currently at job rate.

Council

By-law No. 2006-84, as amended by By-law No. 2019-62, sets out the annual salary for the Mayor and Members of Council and provides for an annual salary adjustment equal to the economic adjustment awarded to non-union employees of the Corporation and that:

“The economic adjustment for the Mayor, Deputy Mayor and Councillor positions in 2019, and future years, be varied to normalize the base pay for the three positions in order to be more aligned with the comparator practice and the 65th percentile: 100% of the economic adjustment for the Mayor, 50% for Councillors and 25% for Deputy Mayor.”

Consultations

County of Essex
Local Municipalities
OMERS
Director Financial Services & Treasurer

Financial Implications

A 2.0% economic adjustment has been included in the 2020 approved budget.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Laura Moy, Dipl. M.M., CMMIII HR Professional
Director Corporate Services & Clerk

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	None