



## The Corporation of the Town of Tecumseh

Chief Administrative Officer - People & Culture

**To:** Mayor and Members of Council

**From:** Michelle Drouillard, Director People and Culture

**Date to Council:** February 13, 2024

**Report Number:** CAO-PC-2024-01

**Subject:** Non-Union and Council Economic Salary Adjustment 2024

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### Recommendations

It is recommended:

**That** CAO-2023-01 entitled “Non-Union and Council Economic Adjustment for 2024” **be received;**

**And that** an annual economic adjustment for 2024 of 2.0% **be approved**, effective January 1, 2024, for the Management and Non-union Administrative Staff Wage Grid, in accordance with the Compensation and Salary Administration Policy No. 67;

**And further that** an annual economic adjustment for 2024 of 2.0% **be approved** for all Elected Official positions, in accordance with By-Law No. 2006-84, as amended by By-law No. 2023-116, being a by-law to provide for the remuneration of Members of Council.

### Background

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

The Policy stipulates that an annual economic adjustment will be made upon approval by Town Council and reflected in the Wage Grid.

In each year, an adjustment to the Wage Grid will be made, to be effective January 1st, and in doing so shall be made taking into consideration:

- The annual economic adjustment based on the Consumer Price Index (CPI) year over year
- The OMERS annual increase
- Municipal comparators' general average percentage increase
- The average/median range adjustments for Municipalities/Public Sector employers
- Negotiated increases with the Local Bargaining units
- Compression, and
- Financial capabilities

## **Comments**

The Wage Grid for the Non-union Management Group was approved by the Personnel Committee on October 12, 2021, based on a compensation review undertaken by an external consultant in that same year. The Wage Grid is comprised of fourteen (14) classification levels, with each of the classifications having five (5) salary steps. The Wage Grid is adjusted annually based on the Council approved economic adjustment.

Section 9.1 of the Policy provides that a salary survey and evaluation will be conducted to review the Management and Non-union Administrative Staff Salary Schedule, every three (3) to five (5) years, relative to market comparators and comparable positions in both the public and private sectors.

## **Economic Adjustment**

According to Statistics Canada, the Ontario Consumer Price Index (CPI) increase for December 2023 over December 2022 was 3.4%. OMERS announced that pensions will increase by 4.42% in 2024.

The Collective Agreements with CUPE Locals 702.1 (Full-time Outside), 702.2 (Full-time Inside) and 702.5 (Part-time Inside) included a 2% increase in each year of the three-year term 2022 - 2024.

The Collective Bargaining Agreement for CUPE Local 702.13 (Seasonal) was successfully negotiated and ratified in 2023. The agreement provided for a 2% increase in each year of the three-year term 2022 - 2024.

The ratified Employment Agreement for Tecumseh Firefighters' Association (TFA) agreement included a wage increase of 1.5% as well as benefit improvements in each of the years through the term of 2022 - 2025.

Considering the above factors in accordance with the Policy for the non-union management group, it is recommended that an economic increase of 2.0% be approved to the Non-Union Group retroactive to January 1, 2024.

## **Grid Advancement Based on Performance**

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

In the upcoming year, step increases will 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. 2023-116, 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 2024, 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, Deputy Mayor, Councillors."

## **Consultations**

Chief Administrative Officer  
Financial Services  
OMERS

## **Financial Implications**

A 2.0% provisional economic adjustment was included in the 2024 approved budget.

## Link to Strategic Priorities

Applicable	<a href="#">2023-2026 Strategic Priorities</a>
<input type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input checked="" type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

## 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:

Michelle Drouillard, BA Hons., CHRL  
Director People & Culture

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