

## Staff Report

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**Report To:** City Council  
**Report From:** Janet Ashfield, Manager Human Resources  
**Meeting Date:** November 4, 2024  
**Report Code:** CR-24-119  
**Subject:** HR019 Salary Administration Policy and HR015 Vacation Management Policy

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### **Recommendations:**

THAT in consideration of Staff Report CR-24-119 respecting HR019 Salary Administration Policy and HR015 Vacation Management Policy, City Council directs staff to bring forward a bylaw to enact the policies in substantially the form attached to the report.

### **Highlights:**

- An Updated Vacation Policy that is consistent with our comparators, provides enhanced entitlements and is budget neutral.
- A Salary Administration Policy enhances an ability to attract and retain top talent.
- A Salary Administration Policy promotes transparency and fairness.

### **Strategic Plan Alignment:**

[Strategic Plan](#) Priority: Service Excellence.

### **Climate and Environmental Implications:**

There are no anticipated climate or environmental impacts.

## **Previous Report/Authority:**

SR-241009-002

## **Background:**

Staff undertook a market review of total compensation for non-union staff to ensure that the City can target a reduction or strategic reallocation of staff that support traditional and discretionary services through the implementation of a strategic attrition plan.

When the review was completed, staff and the consultant from Gallagher presented the results to the Service Review Ad-Hoc Committee and received direction from the Committee to bring forward the changes that were highlighted from the review.

The recommended policies and implementation are consistent with the Excellence and Compliance pillar of the Human Resources Strategy 2023-2029.

## **Analysis:**

The market review considered similar sized comparators as well as our direct comparators for talent. In addition, staff considered the existing terms and conditions of CUPE workers.

The results indicated a need to adjust the City's vacation policy to accrue additional vacation by one day annually rather than by a week after 5 years. This is consistent with the County, Town of Blue Mountains and the CUPE Inside Collective Agreement. As most Non-Union staff are not replaced while on vacation, there is no cost to adjusting vacation entitlement. Vacation is an important factor in maintaining work-life balance and wellness for employees, and the enhanced entitlements will have a positive impact on employees while remaining budget neutral, limiting the funded liability that the City must maintain for vacation accruals.

The results also indicated that the City should implement a Salary Administration Policy which provides a specific pay policy - i.e. where do we want to be in accordance with the market – as well as to outline the specific parameters as how jobs are placed on, and how employees move through the grid to maximize consistency and minimize exceptions. The proposed pay policy is to pay at the 55<sup>th</sup> percentile. This approach not only aligns with

compensation practices consistent with other municipalities but also serves several important purposes for our organization. Firstly, it enhances our ability to attract and retain top talent by ensuring that our pay rates are competitive within the local market. A well-structured pay policy also promotes transparency and fairness in our compensation practices, fostering trust among employees and reducing the likelihood of dissatisfaction or turnover due to perceived unfairness or inequities. Additionally, by establishing a clear framework for salary determination, we can better manage budgetary constraints while still recognizing the contributions of our staff. Ultimately, this policy supports our commitment to creating a motivated workforce that feels valued and rewarded for their efforts, which is essential for achieving our organizational goals.

The Salary Administration Policy HR019 and the updated Vacation Policy HR015 are attached and incorporate the changes recommended from the Market Review for Non-Union staff.

### **Financial Implications:**

The cost of implementation of the pay policy is \$84,783.

### **Communication Strategy:**

The policies will be communicated to non-union staff and individual adjustments will be communicated to those who will be impacted.

### **Consultation:**

Kate Allan, Director of Corporate Services

Kristen VanAlphen, Manager, Legislative Services

Bethany Chandler, HR Specialist, Recruitment, Retention and Compensation

### **Attachments:**

1. HR015 Vacation Management Policy
2. HR019 Salary Administration Policy

### **Recommended by:**

Janet Ashfield, Manager of Human Resources

Kate Allan, Director of Corporate Services

**Submission approved by:**

Tim Simmonds, City Manager

For more information on this report, please contact Janet Ashfield at [jashfield@owensound.ca](mailto:jashfield@owensound.ca) or 519-376-4440 extension 1214.