



REPORT TO COUNCIL

**TO:** Richmond City Council  
**FROM:** Mayor Greg Halsey-Brandt, Chair  
General Purposes Committee  
**RE: EXEMPT STAFF SALARY INCREASE**

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**DATE:** October 18<sup>th</sup>, 2000

**FILE:** 1085-01

The General Purposes Committee, at its meeting held on Monday, October 16<sup>th</sup>, 2000, considered the attached report, and recommends as follows:

COMMITTEE RECOMMENDATION

- (1) That the Exempt Staff Salaries be adjusted as follows:**
  - (a) a 2% increase retroactive to January 1, 2000;**
  - (b) a 2% increase effective January 1, 2001; and**
  - (c) a 3% increase effective April 1, 2002.**
- (2) That the Exempt Staff Salary Band Schedule be adjusted to accommodate the increase to exempt staff salaries.**

Mayor Greg Halsey-Brandt, Chair  
General Purposes Committee

Attach.

VARIANCE

Please note that staff recommended only Part (1) (a), (b), and (c), and recommended the following for Part 1(c) :

- (1) (c) a 2% increase effective January 1, 2002.**

## STAFF REPORT

### ORIGIN

In accordance with the Exempt Staff Salary Compensation Program/Policy adopted by Council in November, 1998:

- 1) exempt staff salaries are to be reviewed/adjusted on an annual basis; and
- 2) the Exempt Staff Salary Band Schedule will be reviewed biannually and adjusted where appropriate to conform to an external market salary survey.

The following staff report outlines the details of proposed salary adjustments.

### ANALYSIS

Exempt staff base salaries [item 1)] above were last adjusted in December, 1998 to provide a 1% increase which took effect January 1, 1999. Although the Exempt Staff Compensation Program/Policy stipulates that the review/adjustments be conducted on an annual basis, the January 2000 instalment was delayed pending the outcome of CUPE contract negotiations. As both CUPE locals have now settled, it is appropriate that exempt staff salaries be addressed. Consistent with the approach taken when addressing salaries for all other groups in the organization, it is proposed that annual exempt staff salary increases, as specified in the recommendations of this report, be pre-approved for the period January 1, 2000 to January 1, 2002. This action will address the frequent and sometimes morale deflating delays previously encountered by the exempt staff regarding the handling of their salaries and eliminate the need for unnecessary reports in future.

Item 2) above references the biannual exempt staff market survey. Due to a lengthy period (approximately 5 years) during which exempt staff salaries were not adjusted, Richmond salaries fell behind in our competitive market. An independent market survey was conducted by a professional compensation firm and the salary band structure adjusted to ensure an appropriate competitive position. The primary objective and benefit associated with maintaining a competitive position in our market place is to ensure retention of valued employees and the ability to recruit top talent. However, at the time the market survey was conducted, it was recognized that a number (at least four) of the organizations surveyed and that Richmond was attempting to catch up with would be implementing further market salary adjustments within a short period of time after responding to our survey. In order to overcome this factor, the new Compensation Program specified that the Human Resources Department would update the market survey data and the Salary Band Schedule would be adjusted every two years, effective November 1998. The 2000 salary market survey is presently underway with an estimated completion date of early January. Any adjustments resulting from the market survey will be applied to each salary band range as opposed to being applied to all individual exempt staff members' salaries on an across-the-board basis. Accordingly, only those individual positions that are assigned to salary bands designated by the market survey for adjustment will be affected. It should also be noted that salary band adjustments resulting from the market survey can reflect either an increase or decrease in value. In instances where a decrease would result, individual staff member salaries are typically frozen until the market catches up.

#### FINANCIAL IMPACT

The recommended salary increase is within the allowance made in the 2000 budget for the anticipated increase in salaries.

#### CONCLUSION

Exempt staff salaries should be adjusted on a regular and timely basis in line with increases that are awarded throughout the municipal sector which represents our competitive market with a view to ensure the retention of valued staff and the ability to recruit high calibre personnel.

GD:cla