

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>

To: "Direct to Mayor and Council - DL"

CC: "City Manager's Correspondence Group - DL"
"Naklicki, Andrew" <andrew.naklicki@vancouver.ca>

Date: 4/29/2019 10:55:16 AM

Subject: Memo - 2019 Exempt Merit Increase

Attachments: 2019 Exempt Merit Increase memo.pdf

Good morning Mayor and Council,

We received a question from Council regarding the administration of salary adjustments for exempt staff. The attached memo from Andrew Naklicki provides the background.

Please do not hesitate contact me or Andrew Naklicki if you require any additional information.

Best,
Paul

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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.

MEMORANDUM

March 15, 2019

TO: City of Vancouver Exempt Employees

FROM: Andrew Naklicki, Chief Human Resources Officer

SUBJECT: 2019 Exempt Staff Compensation

I am pleased to advise that Council has approved the following compensation adjustments for our exempt staff group for 2019.

In recognition of the significant contributions that our exempt employees make to the organization and the public we serve, the City strives to provide a total compensation package that is competitive in the relevant market while remaining defensible to taxpayers.

Salary Range Adjustments (Market Adjustments)

On an annual basis, we assess our existing salary ranges against local and national salary data compiled by third parties. Considering this analysis, as well as a range of economic and budgetary factors, we develop a recommendation regarding market-based adjustments for each salary range. As of April 1, 2019, the current exempt salary ranges will be increased as follows:

| | |
|--------------------------|-------------|
| All Salary Ranges | 2.0% |
|--------------------------|-------------|

The Exempt Salary Ranges effective April 1, 2019 will be posted on Citywire shortly.

Merit Increases

Employees who meet the eligibility criteria will receive a merit increase effective April 1, 2019 in accordance with the following matrix.

To be eligible for a merit increase on April 1, 2019 an employee must:

- have been hired or promoted on or before September 30, 2018, and
- have been assessed to have “met”, “exceeded”, or been “approaching” performance expectations for the calendar year of 2018, or at least a 6 month period up to no later than March 31, 2019.

Employees whose overall 2018 performance was assessed to have “met or exceeded expectations” for their role are eligible for a merit increase of up to 5.5%, subject to pro-ration based on time since last salary increase, and not to exceed the maximum of the salary range. For employees receiving an overall performance rating of “approaching expectations”, the merit increase will be up to 2%, subject to pro-ration and not to exceed the maximum of the salary range.

2019 Exempt Staff Merit Increases - Matrix*

| Rating of Overall Performance | Merit Increase | Effective Date |
|--------------------------------------|---|-----------------------|
| Met or Exceeded Expectations | Up to 5.5% not to exceed Salary Range Maximum | April 1 |
| Approaching Expectations | Up to 1% for employees at the salary range maximum and up to 2% for employees below the salary range maximum not to exceed salary range maximum | April 1 |
| Did Not Meet Expectations | 0% | |

* all merit increases are subject to proration based upon hire date, promotion date, and date of last salary adjustment

Merit Increases for Exempt Employees Hired or Promoted between October 1, 2018 - March 31, 2019

Employees who commenced work with the City or were promoted on or after October 1, 2018 are not eligible for a merit increase on April 1, 2019. These employees may be eligible for a partial increase on October 1, 2019 subject to a performance review of at least six months confirming that the individual is meeting expectations in their role.

Merit increases effective April 1, 2019 will be processed as soon as operationally feasible with the intention to be included on the May 3, 2019 pay.

Please note that merit adjustments are not applicable for employees who concluded their active employment with the City prior to April 1, 2019 including those who are running out banked time.

ADDITIONAL INFORMATION

If you have any questions or comments regarding these changes, please do not hesitate to let me know, ask your HR Consultant or direct your inquiry to compensation@vancouver.ca.