



Staff Report

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TO:	Committee of the Whole
FROM:	Lisa Ford, Interim Financial Services Manager
DATE:	November 18, 2024
SUBJECT:	2025 Human Resources Budget Consideration
ATTACHMENT(S):	☐ Appendix 1 - Consumer Price Index ☐ Appendix 2 - 2025 Human Resources Budget Considerations

STRATEGIC GOALS & PRIORITIES:

This report complies with the following strategic goals set out by Council:

- Fiscal Responsibility

This report complies with the above noted strategic goal by stimulating open conversation about the 2025 Human Resources Budget to maintain fair employee compensation with an incentive for excellence.

RECOMMENDED RESOLUTION:

"THAT the 2025 Human Resources Budget be increased by 3.5% with 1.75% allocated to Cost of Living Allowance and 1.75% allocated to merit based increases."

PURPOSE:

To provide staff with competitive compensation based on the government cost of living data, while keeping a focus on, and providing incentive for career excellence.

BACKGROUND:

Last year Council approved a 5% HR budget increase over 2024; a 2% increase to Cost of Living Allowance (COLA) and 3% available for merit based increases.

As of October 24, 2024, the District is at 85% usage of the 2024 HR budget. This is in alignment with what expectations were for 2024 operations.

FINANCIAL IMPLICATIONS:

As supported by Appendix 2, in 2024 the approved HR budget was \$4,163,818. Staff are proposing a 3.5% increase to help keep up with the rising cost of living. This is equivalent to an increase of \$145,734 from last year's budget and would mean an HR budget of \$4,309,552 for 2025, subject to any other proposed amendments to be considered at a later date. The proposed 3.5% increase would be broken down as 1.75% (\$72,867) for Cost of Living Allowance and 1.75% (\$72,867) for merit based increases.

Cost of Living Allowance increases will be given to all employees across the District regardless of performance. The merit based increases will be determined by Annual Performance Reviews.

COMMENTS & DISCUSSION:

Merit based increases are established during annual performance reviews and approved by the Director in each department, therefore not all employees will achieve the full merit increase.

As reflected in Appendix 1 you will see that year over year we have experienced a 3.4% Consumer Price Index increase in Canada and BC. In order for the District to retain current employees and to create an incentive for potential future employees, we need to remain competitive by keeping wages in line with rising CPI.

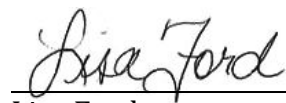
ALTERNATIVE OPTIONS:

Alternative increases have also been calculated and provided to Council via Appendix 2. Council may also request additional options to the recommended and alternative options provided.

SUMMARY & CONCLUSION:

Staff are recommending a 3.5% increase to the Human Resources budget, which is equivalent to an additional \$145,734. Of this 3.5%, 1.75% will be for Cost of Living Allowance and the other 1.75% will be available for merit based increases.

RESPECTFULLY SUBMITTED:



Lisa Ford

Deputy Corporate Officer

The District of Taylor's guiding principle is "Safety, Family, then Work."

Consumer Price Index - Current and Historical Data

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual Average January to September	Annual Average October to September
	2023			2024													
CND	156.3	156.7	157.1	157.5	157.8	158.2	158.6	159	159.3	159.6	159.9	160.1	N/A	N/A	N/A	158.9	158.3
BC	150.4	150.8	151.2	151.6	151.9	152.3	152.6	153	153.3	153.7	154.0	154.2	N/A	N/A	N/A	153.0	152.4

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	2023 Annual Average January to December	Annual Average October to September
	2022			2023													
CND	153.8	154.0	153.1	153.9	154.5	155.3	156.4	157	157.2	158.1	158.7	158.5	156.3	156.7	157.1	156.6	155.9
BC	148.6	148.1	147.1	148.1	149.1	149.7	150.4	151	151.6	152.1	152.6	152.7	150.4	150.8	151.2	150.8	150.1

% Change

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual Average January to December	Annual Average October to September
	2023			2024													
CND	4.4%	4.1%	3.9%	3.6%	3.4%	3.3%	3.2%	3.1%	3.1%	3.1%	2.9%	2.7%	N/A	N/A	N/A	3.2%	3.4%
BC	4.5%	4.2%	4.0%	3.7%	3.4%	3.2%	3.1%	3.1%	3.0%	3.0%	2.9%	2.8%	N/A	N/A	N/A	3.1%	3.4%

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual Average January to December	Annual Average October to September
	2022			2023													
CND	6.9%	6.8%	6.3%	5.9%	5.2%	4.3%	4.4%	3.4%	2.8%	3.3%	4.0%	3.8%	1.6%	1.8%	2.6%	3.6%	4.8%
BC	7.8%	7.2%	6.6%	6.2%	6.2%	4.7%	4.3%	3.4%	3.5%	3.0%	3.8%	3.3%	1.2%	1.8%	2.8%	3.7%	5.0%

2025 Human Resources Budget Considerations

Cost of Living Allowance (COLA) and Merit Based Increases

			OPTION 1 (RECOMMENDED)		OPTION 2		OPTION 3
	2024 Approved HR Budget		3.5% Increase (Recommended)		4% Increase		3% Increase
Total Budget	\$ 4,163,818.00		\$ 4,309,551.63		\$ 4,330,371		\$ 4,288,733
Dollar Value of Increase			\$ 145,734		\$ 166,553		\$ 124,915
COLA	2%		1.75%		2%		1.50%
Merit Based	3%		1.75%		2%		1.50%