



Request for Budget Decision

Project/Decision:	Economic Increase – Professional & Managerial (Non-Union) and City Council
Department:	Human Resources

Purpose:

To seek Council approval to add the following item(s) to the 2025 Operating Budget.

Decision:

That Council approve an economic increase of:

- Option #1 – At the actual annual percentage adjustment as bargained by the City of Kenora and its bargaining units.
- Options #2 – 1.5% increase
- Option #3 - 0%, or any other percentage Council desires.

Background:

Economic adjustments to the Management Pay Grid may be authorized by Council through budget approval in accordance with HR-3-1 Salary Administration Policy. Factors to be considered when any adjustment is to be made to the Management Pay Grid shall include:

- Ability of the Municipality to pay based on approved budget guidelines.
- Wage and benefit package approved by Council for City employees covered by CUPE, IBEW, and KPFFA Collective Agreements.

In accordance with CC-15-1 City Council Annual Remuneration Policy Annual economic adjustment to Council remuneration will be based on the actual annual percentage adjustment approved for the City’s Non-Union Group

Financial Impact:

Salary and Benefit Cost		2025	2026	2027
Options #1 – Aligned with Bargaining 3%, 3%, 2%	Total Impact	\$264,611	\$326,180	\$310,186
	Operating Budget	*\$237,170	*\$283,617	*\$252,214
	Utilities	**\$27,441	**\$42,563	**\$57,972
Option #2 - 1.5%	Total Impact	\$132,305	\$155,650	\$120,000
	Operating Budget	*\$118,585	*\$141,709	*\$106,450
	Utilities	**\$13,720	**13,941	**\$13,550

** Operating Budget Impact

*Portions of this total will be allocated to the Utility.

Risk Analysis:

The increase of the City of Kenora’s Professional and Managerial Grid and Council Renumeration will treat the following risks:

Financial Risk

- Increases in salaries and benefits impact the risk to the municipality’s ability to pay, as well as affordability.
- Operational Risk - Deviation from uniform salary presents high risk to alignment with wages and benefit package approved by Council for City employees covered by CUPE.
- Moderate risk to the Professional & Managerial Grid and Council Renumeration falling behind comparable labour market rates.
- Moderate risk to employee and elected official morale concerning compensation.

Impact x Likelihood = Risk Level

Likelihood	Impact				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Almost Certain (5)	M	H	H	C	C
Likely (4)	L	M	H	C	C
Possible (3)	L	M	M	H	H
Unlikely (2)	L	L	M	M	H

Strategic Plan or Other Guiding Document:

Charting Our Course 2027 – Strategic Plan
 4.2 Maximize human capacity and capability