

Administrative Inquiry

Councillor Keating submitted an Administrative Inquiry as follows:

On 2018 June 28, Council received a memo from Acting Chief Human Resources Officer Leslie Shikaze that outlined some the details regarding the retirement allowance offered to City of Calgary employees. Subsequent questions on the retirement allowance were asked at the Priorities and Finance Committee (PFC) on 2018 July 17.

I have some additional questions that I would like Administration to answer on this topic:

In some employment scenarios, retirement allowance is used to incentivize early or on-time retirement. Retirement allowances may also be used to retain employees, which offer benefits to an organization. If used appropriately retirement allowances could provide cost savings or additional value.

What is the average tenure for City of Calgary employees that receive the retirement allowance?

Was the retirement allowance put in place to encourage early or on-time retirement? If so, have there been measurable cost savings.

At PFC on 2018 July 17, it was revealed that the retirement allowance is not a component of bargaining negotiations with Union employees.

Does Administration still deem the retirement allowance to be necessary?

When was the last time the retirement allowance was reviewed?

Does Administration have any intentions of reviewing the retirement allowance program without Council direction?

Administration Response

What is the average tenure for City of Calgary employees that receive the retirement allowance?

The average tenure for City of Calgary employees that received the retirement allowance over the past seven years (2011 to 2017) has been approximately 27 years. Seven years is The City's retention schedule for these records.

Was the retirement allowance put in place to encourage early or on-time retirement? If so, have there been measurable cost savings?

When introduced in the mid 80's the purpose of the retirement allowance was to attract and retain talent until retirement. Long service is desirable at The City because it contributes to the delivery of quality services to citizens.

Does Administration still deem the retirement allowance to be necessary?

The City deems the Retirement Allowance to be an important part of the salary and benefit package to employees to attract and retain talent.

When was the last time the retirement allowance was reviewed?

The City reviewed the retirement allowance in 2010.

Does Administration have any intentions of reviewing the retirement allowance program without Council direction?

The City regularly monitors elements of its total reward package. We expect the retirement allowance would form part of any on-going or future review of our overall plans and programs.

Administration is accountable for managing and/or collectively bargaining salary and benefits for employees.