



Regional District of Central Okanagan

Board Policy
Policy & Procedures Manual

Regional Board Policy BP21-2025

Exempt Salary Administration Policy

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Chapter: 8. PERSONNEL Policy No. 8.11 Human Resources
Page No. 8.11

Section: 8.11 Excluded Salary Administration Policy

Policy Date: April 22, 2013 (Approved Date)

~~The purpose of this policy is to provide a fair and consistent approach to salary administration for Regional District of Central Okanagan excluded positions not covered by a union collective agreement~~

Guiding Principle

~~The process through which employees' performance is evaluated and compensated is integral to the Regional District of Central Okanagan's (RDCO) ability to attract, retain and engage talented employees and to continue to deliver quality public service into the future. The RDCO is committed to a total compensation strategy that is fair, consistent and maintains fiscal responsibility while providing recognition for the achievement of individual goals and corporate objectives. It is the RDCO's philosophy to maintain the middle of the salaries range to the 50th percentile (P50) of the market.~~

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1. Definitions

~~**Job Evaluation**—a process to rank and compare excluded positions internally. The evaluation process is conducted by the Internal Job Evaluation Committee, consisting of a cross-section of excluded staff, including a representative from the Human Resources Department. The services of an external job evaluation consultant are used as required for training of staff evaluators and to provide quality assurance.~~

~~**Salary Range Band**—a salary range for a group of relatively equal excluded positions with a minimum, midpoint and maximum salary. Positions will be placed in salary bands based on job evaluation results and salary administration policy. Positions may move within a band or to another band based on job evaluation results.~~

~~**Compression**—compression occurs when the midpoint of an excluded Supervisor's salary range is lower than the annual rate of pay of their unionized employees. In such situations, compression pay will be considered. A rate of up to five percent (5%) above the unionized employee may be applied and reviewed on an annual basis following the annual excluded salary review. Concerns about compression~~

~~are resolved on a case by case basis after a compression analysis has been completed by the Director of Finance and Administration Services and Manager of Human Resources.~~

~~Compression – when the job rate of an exempt staff's salary range is lower than the annual rate of pay of a reporting employee.~~

~~**Exempt Positions** – positions which are not within the bargaining unit. The CAO, relief and student positions are not included for the purposes of this policy.~~

~~**Exempt Staff** – those whose terms of employment are not covered by a Collective Agreement. The CAO, relief and student staff are not included for the purpose of this Policy.~~

~~**Job Evaluation** – a process to rank and compare positions in an organization.~~

~~**Job Rate** – the midpoint of the salary range. The job rate paid to fully proficient employees with consistently solid performance.~~

~~**Salary Range** – defines the minimum and maximum compensation that the RDCO will pay for a position.~~

~~**Salary Structure** – a compensation framework that organizes comparable jobs into groups with corresponding salary ranges.~~

2. **Job Evaluation**

- ~~• Under the direction of the Chief Administrative Officer (CAO), Human Resources will ensure an effective job evaluation process is in place for exempt positions. Positions will be evaluated and placed into job grades based on the job evaluation results.~~
- ~~• All new and significantly changed exempt positions will be evaluated by the internal Job Evaluation Committee. A full evaluation of all exempt positions shall also be conducted approximately every ten (10) five (5) years.~~
- ~~• Results of the evaluation will be presented to reviewed by the Chief Administrative Officer by, ~~Department Director and Manager of Human Resources~~, ~~in order to ensure organizational consistency~~. Where such review conflicts with the evaluation results, the Committee will conduct a re-evaluation. These results are final subject only to the reconsideration process.~~
- ~~• Incumbents who feel their position was not evaluated correctly can request reconsideration by providing a written rationale to their Department Director. The Internal Job Evaluation Committee will only re-evaluate the position based on a recommendation from the employee's Department Director supervisor and ~~the Manager of Human Resources~~. The results of the re-evaluation will be final.~~

3. **Market Surveys & General Budgetary Guidelines**

- ~~Human Resources will review the Salary Structure annually to recommend adjustments based on market conditions. Comparisons of salaries from similar municipalities, unionized increases, budgetary pressures, Hay Group projected market adjustments and the general economic outlook will also be considered.~~
- ~~A bi-annual comprehensive market survey will be conducted every five (5) years to ensure that the RDCO job rates align with that of organizations that employ transferable skills to the RDCO, using information from Hay Group's Pure Public Sector group.~~
- ~~Recommendations will be made to the Board to adjust the minimum and maximum salary range 50th percentile (P50) of the Pure Public Sector group as required.~~

~~Comparisons of salaries from similar municipalities, unionized increases, budgetary pressures, Hay Group projected market adjustments and the general economic outlook will also be considered.~~

4. Placement and Movement in a Salary Range Band

Salary upon appointment to an excluded position will be recommended jointly by the Department Director hiring manager and Manager of Human Resources, in consultation with the Department Director, and approved by the CAO. The standard practice will be to make appointments at the minimum salary job rate within the band. Exceptions will be considered as follows: The following factors will be considered for placement in the range:

- Qualifications Exceed – when it is determined that the qualifications of the successful candidate far exceed the required qualifications and it is anticipated there will be a shorter learning curve upon appointment, the approval of the Department Director and Director of Finance and Administrative Services is required.
- Recruitment and Retention Challenges – when it is in the best interest of the RDCO to secure the successful candidate's acceptance of the job offer or keep a current employee, the approval of the Department Director and Director of Finance and Administrative Services is required. These will be considered when it is of the best interest of the RDCO to secure the successful candidate's acceptance of the job offer or keep a current employee.
- Promotions and re-classifications to the higher band - generally internal candidates being appointed to positions within a higher salary band will be appointed at the band minimum or receive up to 2% promotional increase over their current salary. Placement into positions of a higher pay band does not automatically result in an increase in pay. The decision regarding pay on placement into a higher band will be based on the employee's qualifications, experience and salary as compared to the qualifications and salary for the new pay band as well as the existing staff within the salary band. Decisions regarding the percentile of pay upon placement into a higher band will be based on the employee's qualifications and experience.
- Lower salary rates – salaries lower than minimum may be approved for training programs or for employees who do not meet minimum job requirements.
- Employees moved to lower bands – employees applying to move to a lower salary band or employees demoted for cause will be placed into the associated new salary band. If their current salary exceeds the band maximum, then the employee is placed at the maximum of the new salary band.
- Lateral transfers – transfers within the same salary band are not subject to a salary increase.
- Compression issues – these will be assessed on a case-by-case basis by Human Resources. Any recommendations to resolve compression issues must be approved by the CAO.

5. Annual Salary Adjustments

- Any annual salary adjustments will be based on merit. Merit increases are designed to move employees through their salary band in recognition of improved skills, knowledge, greater experience and contribution to the organization.
- Overall merit increase guidelines are recommended annually to the Chief Administrative Officer
- Individual merit increases are recommended by the Department Director based on the guidelines established and an acceptable level of performance as indicated on the Performance Review, Goal Evaluation and Development Plan and approved by the CAO, endorsed by Human Resources and the CFO and approved by the CAO based on an objective framework of goal setting and performance planning.
- All salary adjustments including merit and compression increases are effective the first pay period in January 1st and will be within the RDCO five-year financial plans as approved by the Regional Board through the financial planning process.
- Annual salary adjustments are prorated for employees who were hired or received a promotional increase in the previous year.

6. Exceptions to Policy

Any exceptions to the policy requires Board approval.

| Any exceptions to the administrative application of the policy requires approval of the Chief Administrative Officer.