



Regional Board Policy BP21-2025

Exempt Salary Administration Policy

Approval Date: January 16, 2025

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 target the middle of the salaries range to the 50th percentile (P50) of the market.

1. Definitions

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.

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

- a. 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.
- b. 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) years.
- c. Results of the evaluation will be presented to the Chief Administrative Officer by Human Resources. 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.
- d. 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 and Human Resources. The results of the re-evaluation will be final.

3. Market Surveys & General Budgetary Guidelines

- a. 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.
- b. A 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.
- c. Recommendations will be made to the Board to adjust the salary ranges to target the job rate at the 50th percentile (P50) as required.

4. Placement and Movement in a Salary Range Band

Salary upon appointment to an excluded position will be recommended jointly by the Department Director and Human Resources and approved by the CAO. The standard practice will be to make appointments at the job rate. The following factors will be considered for placement in the range:

- a. Qualifications – The successful candidates' qualifications will be assessed against the requirements of the role.
- b. Recruitment and Retention Challenges - 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.
- c. Promotions and re-classifications to the higher band - Decisions regarding the percentile of pay upon placement into a higher band will be based on the employee's qualifications and experience.
- d. Red-circled - Incumbents who are red circled will receive no further salary increases until the maximum of the range exceeds their salary. There will be no loss of pay for incumbents in these situations.
- e. 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 salary band.
- f. 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

- a. 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.
- b. Individual merit increases are recommended by the Department Director, endorsed by Human Resources and the CFO and approved by the CAO based on an objective framework of goal setting and performance planning.
- c. Increases are effective the first pay period in January and will be within the RDCO five-year financial plans as approved by the Regional Board through the financial planning process.

6. Exceptions to Policy

Any exception to the policy requires Board approval.

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