

# Township of Brock Corporate Policy



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**Policy Name:** Salary Administration Policy and Procedure

**Policy Type:** Administration & Personnel

**Policy Number:**

**Reference:**

**Date Approved:**

**Date Revised:**

**Approval By:**

**Point of Contact:**

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## 1.0 POLICY

The Township of Brock (the “Township”) is committed to providing a work environment where all individuals are treated in a fair and consistent manner as it relates to the administration of pay amongst other items. The Township will maintain a pay policy that is internally equitable, externally competitive and pay equity compliant. The following policy provides a framework for an ongoing and renewable salary administration program. It is intended to support and acknowledge the dignity and worth of each individual working with and for the Township and to support retention of employees through a competitive compensation program.

## 2.0 SCOPE

All full-time and part-time positions at the Township that are not in the Bargaining Unit.

Contract positions are exempt from this program and will be evaluated by the Department Head and Chief Administrative Officer (CAO). Compensation and wage administration for bargaining unit employees will be covered by the Collective Agreement.

## 3.0 PROCEDURES

### 1. PAY EQUITY AND JOB EVALUATION:

- a) The Township has established and will maintain a job evaluation policy and procedure which will be applied in a manner that maintains internal equity and pay equity compliance. Job evaluation and pay equity will be reviewed periodically; and

specifically, where new or changed positions have been created or a market review has been undertaken.

- b) New positions will be evaluated and assessed using the Township's job evaluation policy and procedure prior to budget deliberations.
- c) The Manager and Department Head will review position descriptions periodically with the employee. Positions that have undergone significant change will be identified for job evaluation maintenance.
- d) Periodically, the CAO or designate will undertake a full and thorough review of all positions to ensure that pay equity has been maintained and will provide a comprehensive report to Council. An interval of no more than five (5) years will take place between full reviews.

## **2. MARKET COMPETITIVENESS:**

- a) External competitiveness will be determined by Township Council who will set the pay philosophy. (i.e., the external market comparators and the desired percentile target).
- b) The CAO will periodically review the market comparator group having regard to criteria, including size (operating budget, population served), scope of public services, and geographic placement.
- c) The job rate for each pay grade in the salary grid will approach the 50th percentile of the comparator group; meaning that the Township goal (subject to budget constraints) will pay at or about the midpoint of the job rates for comparable positions within the comparator group.
- d) A market assessment will be undertaken annually to determine the appropriate amount to budget for salary grid increases. The market assessment will include the average annual grid adjustment for the comparator group, committed increases for the bargaining unit, published survey data and projected increases at the Township. A compensation consultant may be accessed to ensure an objective documented review and assessment.
- e) Township Council will approve the market adjustment, as recommended by the compensation analyst, to be provided to the salary grid having regard to market competitiveness, the pay philosophy, compression issues and ability to pay.

## **3. SALARY GRID & MOVEMENT THROUGH THE GRID:**

The salary grid is comprised of 5 steps for each salary band, with 4% step intervals. Job Rate is defined as Step 5 on the salary grid.

- a) Existing Employees: Movement through the salary grid by an employee will be based on the employee's anniversary date, unless otherwise stated in the employee agreement, and must be approved by the Department Head, and based on favourable job performance that has been documented in their annual performance review.
- b) Employees who are absent from work for more than one (1) month of continuous service for reasons of sick leave or an approved leave or absence will have their step rate increase deferred by the number of months of absence beyond one month. The employee's anniversary date will not change.
- c) New Employees: New employees will be placed at an appropriate step within the salary grid based upon experience, skills and market competitiveness. An assessment of each individual's skills and abilities will be completed before the date of hire to ensure that the individual is placed at an appropriate step on the grid. Progression through the salary grid is to accommodate a learning curve for the job.
- d) Transfers, promotions and demotions: When an employee is permanently transferred or promoted to a position in a higher pay range, the new rate of pay will provide for an appropriate increase. The percentage differentials that exist between salary levels will allow for a meaningful adjustment based upon being placed on the grid, and will provide for at a minimum, placement to the next closest step in the new salary pay range. If an employee is permanently demoted or transferred to a position in a lower pay grade, the present salary level will be continued, (red-circled) unless there is a compelling reason for not doing so. Subsequently, the current salary will increase only when it is within the salary range of the new lower level position.

#### **4. ACTING PAY**

- a) "Acting Pay" shall mean remuneration for the period of time that an employee actually performs the essential core duties of a more responsible position as authorized within this policy.
- b) An employee performing the essential core duties of a position in a higher job classification, and for a period of more than thirty (30) calendar days, may be considered for payment of Acting Pay, on the recommendation of their Manager and Department Head. Movement into an Acting Pay position must be approved by the CAO and, if approved, shall be retroactive to the first day of work in the more responsible position or higher classification. The Township will enter into an Acting Pay Agreement with the employee, which defines responsibilities, duties, term, and compensation.
- c) Where an employee assumes the essential core duties of an approved position, he or she shall receive a salary increase of up to ten percent (10%) of their current salary for the duration of his or her appointment to the acting position. Where a

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10% increase is determined not to be sufficient for the responsibilities, the incumbent will be placed at an appropriate step within the salary grid respective to the level for the position.

- d) Payment or entitlement to Acting Pay is not automatic. A request for Acting Pay must be made and approved before remuneration will be provided.

## **5. RED CIRCLED INCUMBENTS**

- a) Red-circling occurs when an incumbent is in a position where the Job Rate of the salary range is less than the current pay of the incumbent. As a result, the pay of that person will be “red-circled”.
- b) In general, the pay of incumbents who are red-circled will be frozen with no step movement, market adjustments or annual cost of living increase until such time as the pay range “catches up” to the pay of the red-circled incumbent.

## **6. PARTIAL POSITIONS**

- a) Some positions on occasion will not perform the full job responsibilities of a role. In such cases, the employee in that position will be paid a % of the position (for example, 85% of the wage/salary). The rate to be paid to the employee will be stated in the employment contract and may require consultation with the compensation analyst. For example, if a By-Law Parking Officer takes on a portion of a By-Law Officer’s role for a period of time, the compensation will be adjusted by percentage, for the period of time.