

Municipality of the District of Lunenburg

Policy Details	
Name	Salary Administration
Number	045
Legislative Authority	N/A
Effective Date	April 1, 2023

Title

- 1 This Policy title is the Salary Administration Policy of the Municipality of the District of Lunenburg.

Purpose

- 2 (1) The Purpose of this Policy is to provide the approach for salary and compensation decisions for employees within the Municipality of the District of Lunenburg (MODL).

Responsibilities

- 3 (1) The salary structure is approved by the Council in consultation with the CAO.
(2) Chief Administrative Office (CAO) is responsible for salary decisions.
(3) Directors are responsible for the maintenance of position descriptions, hiring processes and performance reviews.
(4) All salary documentation is to be kept in the official file, maintained by the Payroll and Benefits Administrator, including all relevant employee information and correspondence.

Position Descriptions

- 4 (1) A Position Description must be completed for all jobs and will include the following sections:
 - a) Position Overview
 - b) Job Responsibilities
 - c) Team Responsibilities
 - d) Essential Criteria and Competencies
 - e) Direct Reporting Hierarchy
 - f) Position Category
 - g) Work Conditions

(2) The Position Description will be used for Job Evaluation, Recruitment, Career Development, Performance Management and Training/Development within MODL.

(3) The CAO will approve the final Position Description for the job in consultation with the departmental Director. On a schedule consistent with the Salary Review Process, all Position Descriptions will be reviewed every four (4) years to ensure appropriateness.

Job Evaluation

5 (1) Each job within MODL will be evaluated using a job evaluation tool, which will be the official Job Evaluation Plan for the organization. The factors and weighting used in the job evaluation plan are as follows:

Element	Job Evaluation Plan Factors	Factor Weight	Weight for Element
Knowledge and Skill	<ul style="list-style-type: none"> ▪ Education ▪ Experience ▪ Complexity 	11% 13% 13%	37%
Responsibility	<ul style="list-style-type: none"> ▪ Accountability for results / Impact of decisions ▪ Communications / Interpersonal skills ▪ Management, supervisory and advisory responsibility 	13% 13% 16%	42%
Effort	<ul style="list-style-type: none"> ▪ Initiative / Independence of action ▪ Physical / Sensory Demands 	13% 4%	17%
Working Conditions	<ul style="list-style-type: none"> ▪ Working Environment 	4%	4%
	TOTAL	100%	100%

(2) The CAO will ensure that each job within the organization is evaluated and updated as job changes occur. If a job needs a re-evaluation because of a change in responsibilities, a new Position Description must be created and forwarded to the CAO for approval.

(3) The CAO will adopt and maintain up to date procedures for the creation and approval of evaluation of all job descriptions.

Job Levels

- 6 All the roles within the Municipality of the District of Lunenburg will be grouped into levels based on the point value of their role as determined by the results of the Job Evaluation.

Salary Ranges

- 7 (1) Each level has a salary range which includes a series of steps. Each level will have a total of 6 steps.
- (2) The salary ranges are reviewed on a periodic basis, not to exceed 4 years, to keep current with the market and may be adjusted accordingly by motion of Council.
- (3) Any adjustment to ranges does not mean an adjustment will be made to base pay.
- (4) Salary ranges are based on:
- a) Minimum (Step 1) 80% of target salary
 - b) Maximum (Step 6) 100% of target salary
- (5) Each employee will be advised of their appropriate job level and the corresponding salary range based on their current role.
- (6) Compensation programs may vary within the Municipality for specific roles. Part-time salaries will be prorated against the salary ranges to ensure the compensation for the role is appropriate and falls within the range.

Salary Increases - Annual

Consumer Price Index Increase

- 8 On April 1st, employees will be paid a cost-of-living adjustment based on the Provincial Consumer Price Index as determined by Statistics Canada as of December 31 of each year, over December 31 of the previous year. In the event that the Consumer Price Index is negative, there will not be a cost-of-living adjustment. Salary Ranges within the compensation structure will also be adjusted by the Provincial Consumer Price Index at this time.

Step Increase

- 9 (1) Step increases, through the salary bands, will be considered on an annual basis on October 1st of each calendar year for all employees. New hires will not be eligible for a step increase on October 1st if hired between April 1st and September 30th of same year.

- (2) Step salary increases will be based on:
 - a) a current satisfactory Performance Review of the employee;
 - b) the current salary as compared to the step; and
 - c) the budget.
- (3) A supervisor will assess the performance of all their subordinates on an annual basis. The Director will submit the completed Performance Review to the CAO for approval by September 1st. The CAO will approve individual salary adjustments, based on the compensation structure, for the October 1st annual increase.
- (4) Typically, the employee will move to the next step, upon a satisfactory performance review, each year until the employee reaches the maximum. Once the maximum has been reached, increases will only be received if an increase has been made to the compensation structure.
- (5) No other salary increases will be considered throughout the year without prior approval of the CAO.

New Hires

- 10 (1) Starting salaries for new hires are based on the actual salary range of the job along with the employee's relevant experience, education and development required to be fully competent in the position.
- (2) Compensation for part-time employees will be prorated.
- (3) Factors to consider when determining an equitable starting salary include:
 - a) salary range for the role;
 - b) compensation of other employees internally with similar experience and education in the same role or level (internal equity);
 - c) previous work experience;
 - d) experience in a field relating to the position to be filled;
 - e) educational requirements of the role; and
 - f) development required to perform the role at a fully competent level.
- (4) Starting salaries will normally be at the Minimum (Step 1) and in no cases will exceed the Maximum (Step 6). Starting salaries must be approved by the CAO prior to any offer being made by a Director.

Probation Period

- 11 (1) When a new employee is hired, they are placed on probation for a period of 6 months. During the probationary period, the employee's performance will be reviewed regularly.
- (2) When the probationary period is completed, the employee will no longer be on probation unless their performance warrants otherwise and the probation may be extended for an additional 3 months. Also, at this time a formal review will be initiated by the Director.

Training & Developmental Employees

- 12 At times, new employees will be hired into roles and will not possess the minimum skill/qualifications required for the role. They are considered "Developmental" employees and placed into a "Training Level". If so, the starting salary may be less than the Minimum (80%) of the actual salary range. The employee's salary can be brought up to the Minimum at any time once their performance warrants them to be paid at or closer to the Minimum. This can be done at any time during the year and does not need to coincide with the annual review period. Increases to the Minimum do not require any approvals with the exception of ensuring budgets support the change.

Lateral Transfers

- 13 Employees transferring from one role to another within the same job level will not receive a salary adjustment. The transfer usually represents a developmental opportunity. In most situations, the employee's performance in the current role should be reviewed within the annual performance cycle.

Job Level Change – Move to a Higher Level

- 14 (1) Employees may move to a position at a higher level if they are asked to assume a higher role, if they apply for a higher-level role or if the responsibilities of their current role significantly increase and a job evaluation determines that the role is now at a higher level. Moving to a higher level will likely result in a salary increase although it is not guaranteed.
- (2) All salary increases will be made in consultation with the CAO. Typically, a promotional increase would be from 0% up to 10% (to a step within the new range), however, when determining if a salary increase is warranted, the following should be considered:
- a) The current salary relative to the salary range of the new position;
 - b) The employee's skills and responsibilities relative to others in a similar role;

- c) The developmental requirements of the employee to fully perform the role;
- d) The employee's previous experience and education; and
- e) The salary budget available.

(3) It is customary that the employee would move to the minimum in the new role (Step 1), but this is not always the case. At times the employee will be placed at a higher step within the job level.

Job Level Change – Move to a Lower Level


- 15 (1) Occasionally, employees are moved to a lower-level role. This may occur if the current job has been phased out or if the current position is re-evaluated to a lower level.
- (2) If the employee is moved to a lower-level position, they will be “red circled” and will remain at their current salary without future increases until their salary is within the salary range of their new position. Once this salary is within the range, they may be eligible for future increases.

New Position Process

- 16 Directors must consult with the CAO to obtain approval for a new position. All new permanent positions require Council Approval. Once a new position is approved, a Position Description must be created and evaluated for salary as described above.

Repeal

- 17 Policy MDL-45 repealed and replaced on June 11, 2019, is hereby repealed and replaced with this Policy MDL-45.

Policy Adoption	
Date of Original Passage	June 13, 2023
Date of Notice of Intent to Repeal	June 6, 2023
Date of Council Approval	June 13, 2023
Date of Effective Date	April 1, 2023
I certify that this Policy 045 was adopted by Municipal Council as indicated above.	
Signature of Municipal Clerk	Date
	June 13, 2023

Version	Amendment Description	Approval Date
Original V1	MDL-045 Salary Administration	October 16, 2008
V2	Amended to add CPI adjustments based on National CPI provision.	November 10, 2009
V3	Amended the role and responsibilities of the Job. Evaluation Committee and transferred authority to CAO.	June 14, 2011
Repeal & Replace	Implementation of revised salary scales and procedures.	June 11, 2019
Repeal & Replace	Implementation of revised salary scales and procedures. Updated accessible formatting and language.	June 13, 2023