



AMHERST TOWN COUNCIL

RFD# 2024035

Date: April 22, 2024

TO: Mayor Kogon and Members of Amherst Town Council

SUBMITTED BY: Krista Crossman, Director HR and Customer Services

DATE: April 22, 2024

SUBJECT: **Amendments to Non-Union Salary Scales & Salary Administration Policy**

ORIGIN: 2024/25 Operating Budget

LEGISLATIVE AUTHORITY: Section 65 of the Municipal Government Act requires that council shall adopt an operating budget and a capital budget for each fiscal year.

RECOMMENDATION: That Council approve of the following amendments to the Salary Administration Policy 04530-01:

1. Amend the hourly rates for casual positions to align with the provincial minimum wage, supplemented by an additional amount per hour as follows:
 - a. Casual Firefighter: Provincial minimum wage + \$4.00 per hour.
 - b. Jail Guard: Provincial minimum wage + \$4.00 per hour.
 - c. School Crossing Guard: Provincial minimum wage + \$2.00 per hour.
 - d. New Student: Provincial minimum wage
 - e. First Year Returning Student: Provincial minimum wage + \$2.00 per hour.
 - f. Second+ Year Returning Student: Provincial minimum wage + \$3.00 per hour.
 - g. Professional Student: Provincial minimum wage + \$4.00 per hour.

And further, remove the Canine Control Officer and Ice Marshall positions from the hourly rate grid.

2. Amend the non-union salary scales to provide a 3% differential between each step for all salary ranges;
3. Amend the non-union salary scales to remove level 1 and replace the current level 2 as the new level 1 at a range of \$41,454 to \$49,498;
4. Amend the non-union salary scales to reformat the salary ranges by department;
5. Amend the non-union salary scales to amalgamate the current salary ranges in levels 4 & 5 as one new range of \$54,414 – \$64,973;
6. Amend the non-union salary scales to seven (7) steps in each salary range;
7. Adjust staff salaries to the new proposed scale format by moving staff to the next closest step of their new respective salary range;

8. Remove the CPI bonus for employees in the last step of their salary range and direct staff to review the end-of-salary-step process to bring back a recommendation to Council at the next salary review;
9. Rename the Director, HR and Customer Services position to Director, Human Resources.
10. Rename the HR Administrator position to HR Generalist.
11. Amend the salary ranges for the following positions for which a market review was completed as part of this review process:

Position	Current Salary Range	New Salary Range
Building Official	60,481 – 73,314	72,585 – 86,670
Directors	87,814 – 100,722	95,680 – 114,247
Fire Inspector	53,620 – 63,820	62,295 – 74,383
Municipal Clerk	60,481 – 73,314	72,585 – 86,670

BACKGROUND: Staff have reviewed the current salary scales for non-union staff in preparation for the 2024/25 Operating Budget and are recommending several revisions.

DISCUSSION: Several revisions to the Salary Administration policy are proposed for Council's consideration in development of the 2024/25 Operating Budget:

1. Appendix B of the current Salary Administration policy provides the hourly rate grid for casual positions:

APPENDIX B
October 1, 2023

Town of Amherst
Hourly Rate Grid – Casual

Job Title	Hourly Rate				
	Step 1	Step 2	Step 3	Step 4	Step 5
Casual Firefighter	17.27	17.55	17.86	18.17	18.46
Jail Guards	17.27	17.55	17.86	18.17	18.46
Canine Control Officer	15.13	15.64	16.16	16.68	17.28
School Crossing Guards	15.13	15.64	16.16	16.68	17.28
Ice Marshall	15.07	15.55	16.08	16.59	17.18
Other	Provincial Minimum Wage				
New Student	Provincial Minimum Wage				
Returning Student	Provincial Minimum Wage + \$1.00/hour				
Professional Student*	Provincial Minimum Wage + \$3.00/hour				

* Applies to student employees enrolled in a professional post-secondary program for which the Town is requiring specialized educational requirements as a condition of employment. i.e. Engineering, Planning, Accounting, etc.

- a. The Canine Control Officer and Ice Marshall positions are no longer applicable and should be removed.

- b. Turn-over for casual positions is high. Casual positions are not required to participate in a performance evaluation to progress from one step on the current grid. Many casual positions are not employed with the Town long enough, or on a frequent enough basis, to justify a step increase. We are recommending the removal of a step system for casual positions for these reasons.
- c. Historically, the hourly rate grid has been revised every time the provincial minimum wage has increased. The formula used has been to increase the hourly rate by the percentage the current rate is above the current minimum wage. However, this method requires the policy to be updated every time there is an increase to the provincial minimum wage.
We recommend updating the hourly rates for casual positions to align with the provincial minimum wage, supplemented by an additional amount per hour. This adjustment aims to attract new talent to the positions and incentivize current staff to prolong their tenure, with the intention to reduce turn-over in these positions. As minimum wage increases each year, so do the hourly rates of pay without having to amend the policy each time. Updating the rates of pay as recommended also provides an approximate increase of \$2.00 per hour for existing staff in these positions.

The recommended new rate structure is:

Town of Amherst
Hourly Rates – Casual Positions

April 1, 2024

Position	Rate
Casual Firefighter	Provincial Minimum Wage + \$4.00/hr.
Jail Guard	Provincial Minimum Wage + \$4.00/hr.
School Crossing Guard	Provincial Minimum Wage + \$2.00/hr.
New Student	Provincial Minimum Wage
First Year Returning Student	Provincial Minimum Wage + \$2.00/hr.
Second+ Year Returning Student	Provincial Minimum Wage + \$3.00/hr.
Professional Student *	Provincial Minimum Wage + \$4.00/hr.

* Applies to student employees enrolled in a professional post-secondary program for which the Town requires specialized education requirements as a condition of employment. i.e. Engineering, Planning, Accounting, etc.

The Provincial minimum wage is increasing April 1, 2024, to \$15.20 per hour. Therefore, the hourly rates for these positions, if the recommended revisions are approved, will be:

Casual Firefighter:	\$19.20/hr.
Jail Gard:	\$19.20/hr.
School Crossing Guard:	\$17.20/hr.
New Student:	\$15.20/hr.
1 st Yr Returning Student:	\$17.20/hr.
2 nd + Yr Returning Student:	\$18.20/hr.
Professional Student:	\$19.20/hr.

2. The current salary scale format for non-union employees was implemented in 2017 and is shown in Appendices C and C-1 of the current Salary Administration policy. The current format provides for nine (9) salary levels, with eight (8) steps in each level. Non-union positions are placed into a particular level dependent upon the qualifications and responsibilities required of the role:

Level	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
8	87,814	89,656	91,502	93,346	95,189	97,034	98,878	100,722
7a	80,200	81,654	83,111	84,566	86,022	87,478	88,933	90,389
7	72,585	73,652	74,719	75,786	76,854	77,921	78,988	80,055
6	60,481	62,314	64,148	65,981	67,814	69,647	71,481	73,314
5	53,620	55,078	56,535	57,992	59,449	60,906	62,363	63,820
4	52,037	53,357	54,676	55,996	57,315	58,635	59,954	61,273
3	43,753	45,519	47,285	49,051	50,816	52,582	54,349	56,114
2	40,247	41,252	42,256	43,260	44,264	45,269	46,272	47,277
1	37,566	38,452	39,339	40,226	41,112	41,999	42,886	43,772

Movement from one step to the next is dependent upon a satisfactory performance evaluation each year.

This current format has a number of issues:

- a) The differential between each step is not the same in each level:
For example, if an employee's salary is in level 7, step 5 at \$76,854 and they are to move to step 6 at \$77,921, this employee is receiving a 1.4% increase to their salary.

Compare this to an employee who is currently at level 3, step 5 at \$50,816 and moving to step 6 at \$52,582 and this employee is receiving a 3.4% increase to their salary.

The recommended revision to the salary scales provides a 3% differential between each step for all salary ranges.

- b) The current level 1 salary range of \$37,566 to \$43,772 is below the living wage of \$24.30 for our region as calculated for a full-time non-union employee at 70 hours bi-weekly, in accordance with the CCPA's annual living wage report produced in September 2023. We do not have any employees with salaries in level 1; it has been vacant for some time.

The recommended revision to the salary scale that removes level 1 and the current level 2 becomes the new level 1.

- c) Level 8 of our current salary range for all Director positions is \$87,814 to \$100,722. A review of the most recent data available for Director level salary ranges in other municipal units provides the following data:

Director (various: Corp. Services, Ops, Planning etc.)		
<u>Municipality</u>	<u>Low Range</u>	<u>High Range</u>
Cumberland County	95,680	124,800
Colchester	104,653	121,365
East Hants	89,918	112,397
Antigonish	94,002	108,954
Truro	97,759	122,198
Bridgewater	97,244	124,726
AVG	96,543	119,073

The recommended revision to the salary scales includes the addition of a new salary range of \$95,680 to \$114,247 to better align the Director salary range for the responsibility level of a Director position and the salary range of similar positions in other municipalities.

3. The current job category format places positions into a set level. This creates the appearance that positions in level 7 are "higher" or "more important" than positions in levels below, as an example.
 - a. Also, placing a position at a specific level limits the salary range for that position to the range of that level. It is quite possible, and has occurred, that following a market review of a position, the recommended salary range for the position does not fit within the salary scales of the current levels. But with the current format, we must place the position into the level that most "closely" fits the recommended range.
 - b. Example: a market review reveals that the average salary range for a Level II Building Inspector is \$75,000 to \$87,000. With our current levelled structure, level 7 range is \$72,585 to \$80,055 and level 7a range is \$80,200 to \$90,389. Neither of these levels fits the recommended range. Level 7 is too low, and level 7a is too high.

The recommended revisions to the salary scales reformats the salary ranges by department and not by level. This provides flexibility to be able to adjust the salary range of individual positions without affecting any other positions. This is not currently possible as the current structure may have five (5) positions within a particular level with a set salary range so changing the range of one position affects all four (4) other positions in that level as well.

4. The current level 4 and 5 salary ranges are very similar:
 - Level 4: 52,037 – 61,273
 - Level 5: 53,620 – 63,820

The recommended revisions to the salary scales include an amalgamation of levels 4 & 5 as one new range: 54,414 – 64,973.

5. Our current scale provides eight (8) steps in each level. Prior to 2017, our salary grid only had five (5) levels, which is more consistent with other municipal units as well as from a reasonable job progression lens.

As we currently do not have any staff in step 1 of their level, we are recommending the removal of step 1, which will shorten the range to seven (7) steps with the intention of returning to a more reasonable 3-5 step range in the coming years.

6. For staff who have reached the last step of their salary range, the policy currently states:

An employee in Step 8 in a year in which there is no overall market review shall receive a bonus equal to salary times CPI for the immediately preceding calendar year. This amount will be separate and not added to the base salary.

7. Under the proposed changes, step 8 is no longer applicable. We are recommending a revision to the process for staff who have reached the last step of their salary range. We are proposing that staff who have reached the last step of their salary range shall receive a bonus equal to salary times 3%. This amount will be separate and not added to the base salary.

Providing staff who have reached the last step of their salary range with a 3% bonus as opposed to the CPI bonus under the current structure provides the following advantages:

- a) This provides consistency as the differential between each step for all staff is 3%. If the last step of the salary range has been achieved, the employee does not move a step but still receives a 3% bonus.
 - b) This allows for more budget certainty as CPI is not within our control and varies each year.
8. Housekeeping/language revisions:
 - a) Given the proposed revisions, several language updates to the existing salary administration policy are required and are highlighted on the attached policy in yellow.
 - b) With the recent addition of the Manager of Financial Services position, the previous title of Director, HR and Customer Services should be updated to Director, Human Resources.
 - c) We are recommending a title change to the current HR Administrator position to HR Generalist, which aligns the position title to the duties more effectively.

FINANCIAL IMPLICATIONS: \$44,590 to be included in the 2024/25 operating budget for the proposed changes.

COMMUNITY ENGAGEMENT: No community engagement is required.

ENVIRONMENTAL IMPLICATIONS: There are no environmental implications associated with this decision.

SOCIAL JUSTICE IMPLICATIONS: The proposed revisions support positive employee morale by compensating staff fairly and encouraging retention. Equalizing the percentage increase between each step allows a consistent approach to salary increases for non-union staff.

ALTERNATIVES:

1. Do not approve the increase in funding for the salary scale changes in the 2024/25 operating budget.
2. Direct staff to develop alternative options.

ATTACHMENTS:

04530-01 Salary Administration Policy

Report prepared by: Krista Crossman, Dir. HR and Customer Services