

District of Barriere

# REPORT TO COUNCIL

## Request for Decision

<b>Date:</b> June 29, 2026	<b>File:</b>
<b>To:</b> Council	<b>From:</b> Chief Administrative Officer
<b>Re: Management Compensation Policy</b>	
<b>Recommendation:</b> <b>THAT Council adopts Policy No. 60HR – Management Compensation Policy, as presented.</b>	

### **Purpose**

For Council to consider adopting a new Policy No. 60HR, the Management Compensation Policy, to establish a framework for how management compensation is assessed and reviewed.

### **Background**

As part of a holistic compensation review process that began with the CUPE bargaining in early 2025, District staff have been reviewing other human resources related matters, including currently established guidelines, policies, and procedures.

One of the recommendations from our consultant included a policy to codify current practices to ensure continuity for a compensation review process. Subsequently, the attached draft Policy was created for this purpose. Below are the highlights of the Policy.

### **Policy Highlights**

- **Purpose** — Establishes a clear and transparent framework for management compensation that supports recruitment, retention, organizational goals, and fiscal responsibility.
- **Compensation Philosophy** — Balances external competitiveness with internal equity to ensure compensation is both fair and sustainable.
- **External Market Definition** — Uses comparable municipal organizations as the benchmark for assessing compensation levels.
- **Market Data Sources** — Relies on salary surveys, CivicInfo BC, Statement of Financial Information (SOFI) reports, and relevant professional associations to inform compensation decisions.
- **Pay Structure and Flexibility** — Provides a structured salary framework with flexibility to address recruitment, retention, and hard-to-fill or specialized roles.

- **Review and Adjustments** — Requires periodic review (ideally 4-year review cycles, tied to CUPE agreement timeline) of the compensation structure, allows interim adjustments when needed, and permits annual cost-of-living consideration subject to budget approval.
- **Fiscal Responsibility** — Confirms that all compensation decisions must be made with regard to long-term affordability and accountability to taxpayers and stakeholders.
- **Communication and Transparency** — Commits to providing employees with clear information about pay ranges, compensation principles, and decision-making processes.
- **Policy Governance** — Assigns administration of the policy to the Chief Administrative Officer, with Council approval required for structural changes.

## Summary

Council is asked to consider establishing a new policy that would cover future management compensation practices and review cycles.

## **Benefits or Impact**

### General

A policy framework would codify current practice and provide a consistent strategy for future Councils and Staff to address competitiveness, employee engagement, and fiscal responsibility.

### Finances

No additional costs are anticipated at this time; however, a holistic compensation review should be budgeted in 2029-2030 at the cost of up to \$7,500. The review conducted in 2025 was within the budget of \$4,200 + taxes.

### Strategic Impact

N/A – This policy was part of a holistic compensation review project that was started early in 2025.

### Risk Assessment

Compliance: CUPE Collective Agreement, Employment Agreements

Risk Impact: Low – At this stage, it is prudent to establish a policy that governs how the District approaches compensation for management staff and how and when reviews would be conducted.

Internal Control Process: Staff have worked with HR consultants on a holistic review and to draft this policy.

### Next Steps / Communication

- Include a holistic compensation review budget one year after a new CUPE agreement is ratified within the District's annual financial plan.

## **Attachments**

1. Draft Compensation Review Policy No. 60HR

### **Recommendation**

**THAT Council adopts Policy No. 60HR – Management Compensation Policy, as presented.**

### **Alternative Options**

1. Council could choose not to adopt a policy at this time and to conduct reviews on an ad-hoc basis. The HR consultant does not recommend not having a documented process as it does not provide for a fair and equitable approach.
2. Council could amend the draft policy.

Prepared by:

Chief Administrative Officer, D. Drexler



# DISTRICT OF BARRIERE COUNCIL POLICY MANUAL

Approval Date: N/A  
Amended Date: N/A

**NO: 60HR**  
**SECTION: Human Resources**  
**SUBJECT: Management Compensation Policy**

## **Purpose**

The purpose of this Compensation Policy is to establish a clear, consistent, and transparent framework for determining employee pay that aligns with the District's mission, values, and strategic objectives. This policy seeks to support attraction, motivation, and retention of talented employees while ensuring fiscal responsibility to the community we serve.

## **Compensation Philosophy**

The District's compensation philosophy recognizes that job value exists along a continuum, anchored at one end by the external market and at the other by internal relativity.

- External Market – Compensation levels will be informed by competitive market data to ensure the District remains an employer of choice.
- Internal Relativity – Pay will also reflect internal equity, recognizing the relative value of roles within the District and maintaining fairness across positions.

This balance ensures that pay is competitive yet equitable, fostering employee engagement while safeguarding the District's financial sustainability.

## **External Market Definition**

The District defines its external market as being comparable municipal organizations that share similar size, scope, and complexity.

## **Market Data Sources**

Compensation benchmarking will be supported by:

- Participation in appropriate salary surveys that provide accurate, current, and relevant compensation data.
- Incorporating data obtained from relevant municipal sources such as CivicInfo BC, Statement of Financial Information (SOFI) reports, and industry specific professional associations and organizations particularly those relating to hard to recruit professions.

## **Pay Structure and Flexibility**

The District will maintain a structured salary framework that:

- Aligns with market median or targeted percentile e.g. 30<sup>th</sup> percentile for each benchmarked role (percentile may vary depending on role and not all rolls may be based on the same percentile)
- Provides flexibility to address recruitment challenges, retention needs, or specialized skill sets/ hard to recruit professions.
- Supports career progression and recognition of individual performance within established pay ranges.

## **Review and Adjustments**

- Regular Review – The compensation structure will be reviewed at least every four (4) years to ensure alignment with market conditions, internal equity, and fiscal capacity.
  - A Review should be started no sooner than one (1) year after a new Collective Agreement is entered into.
  - The Review should be completed within two (2) years of such new Collective Agreement.
  - An external qualified professional should undertake the Review to ensure that a fair and equitable approach is taken.
- Interim Adjustments – Additional reviews may occur in response to significant market shifts, legislative changes, or budget considerations at the discretion of the Chief Administrative Officer.
- Annual Cost-of-Living Considerations – Adjustments to base pay ranges may be considered annually to account for inflationary pressures and cost-of-living changes, subject to budget approval.

## **Fiscal Responsibility**

The District is committed to balancing competitive pay practices with prudent financial management. All compensation decisions will consider:

- Long-term budget sustainability.
- The District's responsibility to its taxpayers, ratepayers, and stakeholders.

## **Communication and Transparency**

Employees will have access to clear information regarding pay ranges, the District's compensation philosophy, and the process by which pay decisions are made. This transparency fosters trust, engagement, and mutual understanding.

### **Policy Governance**

This policy will be administered by the Chief Administrative Officer in consultation with senior management staff. Recommendations for policy structure changes will be presented to Council for review and approval.

### **Resolutions and Amendments**

MMM DD, YYYY – Council Policy No. 60HR established