

#### **ADMINISTRATION POLICY:**

# **Total Compensation Policy**

**DEPARTMENT:** Human Resources **POLICY NUMBER: HR-169** 

**EFFECTIVE DATE:** December 15, 2023

**SUPERSEDES:** New

**UPDATED:** December 15, 2023

**UP FOR REVIEW:** December 15, 2028

#### **Policy Statement:**

Town of Cardston (the Town) understands the importance of and is committed to maintaining competitive total compensation programs that are in compliance with all applicable provincial and federal laws and regulations, and which are also internally equitable. The Chief Administrative Officer (CAO) will manage the administration of the municipality's total compensation programs in alignment with the Town Council's total compensation philosophy and this policy.

#### Scope:

This Policy applies directly to all Town of Cardston employees who will be compensated fairly regardless of any of the following, which are protected grounds under Alberta's Human Rights Act, as amended from time-to-time: race, religious beliefs, colour, gender, gender identity, gender expression, physical disability, mental disability, age, ancestry, place of origin, marital status, source of income, family status, or sexual orientation.

### **Objectives**

The compensation program design principles and objectives of the Town of Cardston Total Compensation Program include:

- Align the Town's compensation philosophy and the organization's ability to pay.
- Support attraction and retention of key talent and employees.
- Provide competitive and well-communicated compensation programs.
- Provide competitive, comprehensive, and well communicated benefits programs.
- Follow generally accepted compensation program design principles.
- Link the Town's employee behaviours to the strategic plan, goals and objectives (i.e., promote thinking/acting responsibly for taxpayers and stakeholders, etc.).



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### **Policy**

The Town of Cardston provides an overall total compensation package (e.g., salary or wages, benefits, and other rewards) for all employees which is performance-based and competitive to our comparator market of municipalities, while being observant of practices within the broader marketplace.

The key elements of Town of Cardston's Total compensation program include:

- *Direct compensation*: Annual base salary structures generally targeted at the 50<sup>th</sup> percentile of a competitive market as determined by this Policy and implemented through the Town's CAO.
- *Indirect compensation*: Vacation and/or other paid days off, benefits and allowances, and other intangibles such as flexible or hybrid work arrangements, non-traditional benefits, and other awards and recognition.

The policy and program will be led by the compensation philosophy document which will be attached as an appendix to this policy.

As part of the compensation program, a wage classification schedule will be developed and maintained which will show the compensation grid for all positions within the Employee Association. This schedule will be part of the Employee Association Agreement.

Every two years, the Town will engage a third party consultant to undergo a market evaluation for all position within the schedule. Following this analysis, the CAO and Employee Association will review the new information against the schedule to ensure that, as best as possible, the Town positions are relatively competitive to the market. Any changes to the schedule will be as a result of market changes, endorsement of changes by the CAO and the Town's ability to pay (Council approval of funding). All negotiation will be guided by the compensation principles attached to this policy.

Non-Employee Association staff (management) will be guided by the same principles, but will not be included in the same schedule presented to the Employee Association.

## Responsibility

It is the responsibility of the leadership of the Town of Cardston to be aware of this Policy and to communicate it to their respective staff. Any administrative procedures, processes, or forms required to support this Policy are the responsibility of Human Resources.

The Town is committed to clear and open communication about this Policy and encourages its employees to discuss any questions about this Policy with their Manager or the CAO.

#### **REVISION HISTORY**

Date	Description
December 15 <sup>th</sup> , 2023	New Policy

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APPROVAL:		DATE: .	
	Chief Administrative Officer, Jeff Shaw		(signed copy kept in CAO policy binder)

