

	Policy No. and Title:	1003-05 – Compensation Policy		
	Department:	Corporate Services	Approved By:	Council
	Approval Date:	June 28, 2022	Resolution No:	2022-307
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POLICY STATEMENT / PURPOSE

This policy outlines the wages and benefits provided to members of Council and Employees, and describes the administrative processes and provisions for the same.

DEFINITIONS

“**CAO**” means the Chief Administrative Officer for the Town of La Ronge, or their duly appointed designate.

“**Council**” means the duly elected officers of the Town of La Ronge and the Chief Elected Officer or Mayor.

“**Department**” means any organizational unit of the Municipality designated as a Department by the Employer.

“**Employees**” means all Municipal staff and contract employees, not including volunteer firefighters.

“**Municipality**”, “**Municipal**”, “**Employer**”, or “**Town**” means the Town of La Ronge located in the Province of Saskatchewan.

“**Performance Review**” is a formal review used by the Municipality to evaluate and develop its Employees’ skills, behaviors, and key performance indicators to improve Employee and organizational performance.

“**Permanent Employee**” means Employee who is filling a continuous position, with guaranteed minimum weekly hours of work.

“**Supervisor**” means the CAO, applicable department head, or a designate for a given Employee.

“**Temporary Employee**” means an Employee who is not a Permanent Employee.

POLICY STATEMENTS

1.0 WAGES AND SALARIES

Employees

1.1 The Town has implemented an Employee Compensation Grid (attached as Schedule “A”) system to set the approved compensation range for a position and assist the CAO in administering Employee placement and movement on the grid.

1.2 The Compensation Grid is grouped into 2 sections of Employees: management and non-management.

- 1.3 Each non-management position has a wage band consisting of 7 incremental steps, and the wage increases by 1.8% per step. Each management position has a salary band range with a prescribed minimum and maximum salary.
- 1.4 Upon hiring, the CAO (or Council in the case of hiring a CAO) shall determine where the Employee is to be placed on the applicable wage/salary band associated with their position.
- 1.5 After placement on the wage/salary band, movement within the band is governed by performance, which is measured in a formal annual Performance Review conducted no later than December 31 each year and approved by the CAO (or Council in the case of the CAO).
- 1.6 Non-management Employees who achieve a satisfactory annual Performance Review shall have their wage increased through movement up a step/increment on their applicable wage band, provided the Employee is not already on step 7 and ineligible for further wage band increases. The resulting new rate of pay shall be effective January 1 of the following year.
- 1.7 Management Employees, based on their level of performance, may have their salary increased through movement within their applicable salary band. Any resulting salary adjustment shall be effective January 1 of the following year.
- 1.8 The process referenced in Section 1.6 and 1.7 shall not apply to probationary Employees. Instead, probationary Employees shall receive their probationary Performance Review prior to end of their probationary period. Unless the CAO determines that an adjustment is warranted at that time, wage/salary adjustments will typically not occur until the Employee's first annual Performance Review following successful completion of their probation period.
- 1.9 The non-management wage bands shall be adjusted annually, effective January 1, based on year over year changes to cost of living seen annually from September to September. These changes shall mirror the annual percentage change in the Consumer Price Index for Saskatchewan during that period, to a minimum of 0% and a maximum of 3.2%. These cost of living adjustments shall be applied to step 1 of the wage bands, with each subsequent step being adjusted to maintain the increments identified in Section 1.3.
- 1.10 For management positions, cost of living adjustments shall be applied to the Employee's salary. The bottom and top end of the salary band will be adjusted annually at the discretion of Council.
- 1.11 If an Employee's position in the organization has multiple tiers (e.g. 1, 2, 3), the Employee may advance to another tier immediately upon meeting all the prerequisite job qualifications for that tier (as determined by the CAO).

Council Members

- 1.12 Members of Council shall be paid the following amounts, which is compensation for attendance (including electronically) at regular Council meetings, special Council meetings, public hearings, and Committee of the Whole meetings.
 - a) Mayor - \$26,772 per year

- b) Deputy Mayor - \$14,208 per year
- c) Councillors - \$10,450 per year

1.13 The compensation outlined in Section 1.12 shall be adjusted annually based on changes to cost of living. The calculation and application of these changes shall be the same as outlined in Section 1.9.

1.14 Members of Council shall be paid the following amounts to attend board and committee meetings, conferences, seminars, workshops, and events as assigned by Council:

- a) \$80/half day - for up to 4 hours, including travel time;
- b) \$160/day - for greater than 4 hours per day, including travel time.

The daily rate listed above is the maximum daily reimbursement regardless of the cumulative amount of time spent travelling and attending functions in a day.

1.15 The rules for determining when travel is required to attend these functions are found in the Town's Expense Reimbursement Policy.

1.16 If a Council member receives any third-party reimbursement for items covered in this Section, those amounts are to be remitted to the Town.

1.17 Payments made to Council under this policy shall be made bi-weekly in accordance with regular payroll for the Town.

2.0 ACTING PAY

2.1 Wage and salary levels are established in consideration of the requirement to assist with typical leave period coverage associated with a more senior position.

2.2 Notwithstanding Section 2.1, when the period of typical leave for a Lead Hand or Manager extends beyond 3 consecutive weeks, the Employee acting in a higher capacity as a Lead Hand or Manager shall be paid a premium of 8% of their wages/salary for all hours worked after the 3-week period.

2.3 Notwithstanding Section 2.2, if an Employee is acting in a higher capacity as Lead Hand or Manager because the position has been temporarily vacated, that Employee shall be paid a premium of 8% of their wage/salary for all hours worked while the position remains vacant.

2.4 Any acting appointment affecting pay levels must be approved in writing by the CAO.

2.5 Notwithstanding anything herein, if any position is likely to remain vacant for 6 or more months in duration, a Temporary position will be posted internally and externally to fill the anticipated vacancy.

3.0 BENEFITS

Group Benefits

- 3.1 The Town provides Permanent Employees with a Group Benefits Program that is selected and approved by Council.
- 3.2 The Group Benefits Program includes the following program, the details of which are determined by Council:
 - a) Basic Life Insurance (2x the applicable employee's salary is paid to the beneficiary)
 - b) Accidental Death and Dismemberment
 - c) Long-term Disability
 - d) Extended Health
 - e) Dental
 - f) Vision
- 3.3 The premiums for the Group Benefit Program are paid for by the Employer.
- 3.4 The first day worked for the Employer shall be used to determine eligibility for benefits. If a Temporary Employee is promoted to a position where they are a Permanent Employee, the effective date of this promotion or appointment will be used to determine eligibility for benefits that apply only to Permanent Employees.
- 3.5 The Town also provides Permanent Employees a short-term disability program, or salary continuance, which is described in the Town's Leave Policy.
- 3.6 The Town will pay the premiums for the Group Benefits Program for any Permanent Employee or member of Council that is on Long-term Disability for up to 1 year. Employees on Salary Continuance are responsible for paying these premiums.
- 3.7 The Town provides, and pays the premiums for the following benefits to Council members:
 - a) Life Insurance - \$25,000
 - b) Accidental Death and Dismemberment

Pension Plan

- 3.8 The Municipality provides Permanent Employees (and Temporary Employees once they work 700 hours) with a compulsory pension plan, which is administered by the Municipal Employees Pension Plan (MEPP).
- 3.9 The MEPP plan consists of Employee/Employer matching contributions, which are currently 12.5% of gross pay for Fire Department Employees and 9% of gross pay for all other Employees.
- 3.10 Those non-Permanent Employees who have not worked 700 hours in each of the previous 2 years may opt out of the MEPP.

Uniforms

- 3.11 Permanent Employees whose are required to wear a uniform in performance of their duties, as determined by the CAO, shall be provided those uniforms at no cost to the Employee.

Tool Allowance

- 3.12 Permanent Employees who are employed as Mechanics shall be provided with a tool allowance of \$1,000 per calendar year. The tool allowance shall be claimed using an expense claim form, which must be submitted to their Manager with supporting receipts. All such items would be purchased by, and owned by, the Employee.
- 3.13 If an Employee leaves the employment of the Town within 6 months of receiving a tool or health and wellness allowance, the Employee shall repay 100% of the allowance to the Town, which shall be due payable upon the last day of employment.

Health and Safety Allowance

- 3.14 Permanent Employees shall receive a health and safety allowance in the amount of \$125 per calendar year.
- 3.15 Employees may carry over unused health and safety allowance funds from the prior year, and access allowance funds from the upcoming year. If an Employee is advanced health and safety allowance funds from a future year and terminates their employment with the Town prior to the future year arriving, the Employee shall repay 100% of the advanced amounts to the Town, which shall be due payable upon the last day of employment.
- 3.16 The health and safety allowance is a reimbursement toward the following eligible expenditures:
- a) personalized occupational health and safety equipment used by the Employee in the Employer workplace, such as CSA approved steel toed boots and other items approved by the CAO.
 - b) health-related expenses of the Employee that are not covered (or fully covered) by the Employer medical benefit plans, provided the Canada Revenue Agency deems them to be eligible medical expenses for income tax purposes.
- 3.17 If an Employee is, or believes they will be, unable to use the allowance for the purposes outlined in Section 3.15, the Employee may choose to apply the credit toward purchase of Employer branded attire, such as hoodies, golf shirts, and toques. All such items purchased will be deemed a taxable benefit and reported on the Employee's T4.
- 3.18 The health and safety allowance shall be claimed using an expense claim form, which must be submitted to their Manager with supporting receipts.

Cell Phone Allowance

- 3.19 Permanent Employees who are not provided a cell phone for conducting work, and whose positions require use of a cell phone (as determined by the CAO), shall be eligible to receive \$25 per pay cheque as a cell phone allowance. This is a contribution toward the cost of the Employees voice and data cell phone plan.

4.0 PAYROLL ADMINISTRATION

- 4.1 Employees are required to submit a timesheet that records regular hours worked, vacation taken, sick leave taken, other approved leaves taken, and authorized overtime.
- 4.2 Timesheets must be signed off by the applicable Supervisor and submitted to payroll by noon on the Monday immediately preceding pay day.
- 4.3 Payroll is paid by direct deposit on a bi-weekly basis.
- 4.4 Payroll statements of earnings and deductions shall be distributed by pay day.
- 4.5 Allowance reimbursements will be issued on payroll.

TOWN OF LA RONGE



Lyle Hannan, CAO