

**THE CORPORATION OF THE CITY OF WINDSOR
POLICY**

Service Area:	Office of the City Clerk	Policy No.:	HRCOM – POL - 0001
Department:	Human Resources	Approval Date:	April 4, 2016
Division:	Employment Services	Approved By:	City Council CR 231/2016
		Effective Date:	April 4, 2016
Subject:	COMPENSATION AND BENEFITS POLICY	Procedure Ref.:	
Review Date:	One year after implementation and every five years thereafter or as required.	<i>Pages:</i>	Replaces: Acting Assignment Policy – Non-Union Positions; Hours of Work/Overtime for Non-Union Policy; Facilitating Change Policy
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1. POLICY

1.1 The Corporation of the City of Windsor (the “Corporation”) is committed to providing quality services to its community. The Corporation seeks to attract, retain, motivate and reward qualified employees by establishing and maintaining a competitive salary and benefit program while remaining cognizant of its fiscal responsibility to the citizens of Windsor.

2. PURPOSE

2.1 To establish key principles and objectives related to employee compensation, benefit programs and position management which:

- 2.1.1** Endeavours to ensure equitable benefit plans and compensation treatment for all employees
- 2.1.2** Facilitates a mechanism to maintain corporate governance so as to effectively manage the workforce
- 2.1.3** Meets Pay Equity, Employment Standards and other legislative requirements
- 2.1.4** Attracts, retains and motivates employees
- 2.1.5** Manages salary and benefit costs utilizing a balanced approach between being competitive and cost effective
- 2.1.6** Is aligned with both Windsor’s Community Strategic Plan and the Corporate Strategic Plan.

3. SCOPE

3.1 This policy applies to all City of Windsor employees, inclusive of Recreation Staff, regardless of employment status and union/association affiliation, unless otherwise noted.

3.2 This policy applies to contract employment, Transit Windsor, Windsor Police Services, government programs, volunteers, agencies, boards, and commissions as noted.

3.3 This policy applies to City of Windsor retirees as it relates to benefits as outlined in this policy.

4. RESPONSIBILITY

4.1 The Mayor and City Council are responsible to support the Compensation and Benefits Policy including providing the necessary financial and human resources to carry out its intent.

4.2 The Chief Administrative Officer (CAO) is responsible to support the Compensation and Benefits Policy including: recommending to City Council the necessary budget dollars to carry out its intent; providing guidance and direction on issues that may arise, as required; and ensuring compensation and benefit packages are negotiated through the collective bargaining process as appropriate.

4.3 The Corporate Leadership Team (CLT), Executive Directors, Managers and Supervisors are responsible to support the Compensation and Benefit Policy adhering to principles, objectives and statements as indicated in this policy and applicable procedures including: facilitating compliance and consistency in its application; communicating the policy to all staff; allocating appropriate budget dollars; ensuring current and accurate Job Evaluation Questionnaires and Physical Demands Analysis (PDA) are completed for jobs under their direction; and forwarding information on staff hires, job transfers and employee pay changes to the Executive Director of Human Resources for implementation.

4.4 The Executive Director of Human Resources is responsible to develop, review, administer and direct all matters related to this policy and its procedures including: authorization of salary and benefit administration matters; negotiating salary and benefit packages with appropriate unions and associations; annual budgeting of corporate salary and benefit programs; and communication of this policy to employees.

4.5 The Manager of Payroll is responsible to support and adhere to the Compensation and Benefit Policy and applicable procedures including the processing of salary changes in accordance with Human Resources' approval, and the accurate and timely payment of employees, in compliance with legislative/statutory requirements and various stakeholder requirements, such as union collective agreements, group pension plans, etc.

4.6 Manager of Employee Relations is responsible to adhere to the Compensation and Benefits Policy including the administration and management of union and association collective bargaining relative to salary and benefit negotiations.

4.7 Employees are responsible to be aware of and comply with the Compensation and Benefits policy and applicable procedures including reviewing their paystub for accuracy and reporting suspected errors to their supervisor as soon as possible. Employees are required to advise Human Resources in a timely manner of any personal and/or job changes that are related to or may affect their salary and/or benefit program.

5. GOVERNING RULES AND REGULATIONS

5.1 DEFINITIONS:

- 5.1.1 Compensation** – for purposes of this policy is any form of monetary remuneration made to an individual for services rendered in the employee/employer relationship. It includes base pay, bonuses, incentives, premiums allowances and other pay differentials.
- 5.1.2 Benefits** – for purposes of this policy are considered to be those plans or programs which are not usually reflected in an individual’s pay cheque as direct monetary compensation for work performed or in the case of a retiree, those plans or programs wherein there is no monetary compensation received by the retiree.
- 5.1.3 Position Management** – is the management of jobs and positions within an organization in relation to its workforce and workflow.
- 5.1.4 Acting Assignment** – is any job that a regular full-time or regular part-time employee performs that is other than their normal regular duties of their base job. It is either an established or non-established assignment. Acting Assignments occur when the employee acting is duly qualified and performing the majority or full duties of the position.
- 5.1.5 5% Rule** – Employees who have been approved for acting pay shall have their acting pay calculated utilizing 5% based on their regular full-time or regular part-time position unless otherwise noted in the Acting Assignment Procedure.
- 5.1.6 Secondment** – is an agreed appointment of a regular full-time or regular part-time employee to an external organization involving a different job, or assignment of different duties and responsibilities, for a specified period of time. A secondment differs from an acting assignment as it is external to the Corporation and is an agency board, commission, corporation or other organization with a partnership or stakeholder relationship to the Corporation of the City of Windsor. Secondments are not intended to allow employees to accept external employment while maintaining their City benefits and privileges.
- 5.1.7 Base Job** – is the primary or main job the employee holds. It is either one’s permanent established job or the permanent established job a displaced employee held at the time they were displaced.
- 5.1.8 Permanent/Established Position** – is a position that forms part of the corporate staff establishment as determined by the City of Windsor’s Council approved budget process or by City Council resolution. It is the primary job an employee holds.

- 5.1.9 Non-Established Position** – is a position outside the staff establishment that is of a non-permanent nature. It is an assignment with a start and end date.
- 5.1.10 Job Evaluation** – is a process to determine the relative value of jobs within an organization utilizing pre-established criteria as a measurement tool so that jobs can be compared to one another and comply with Pay Equity Legislation.
- 5.1.11 Physical Demands Analysis (PDA)** – is a systematic process/procedure to quantify and evaluate all the physical and environmental demand components of all essential and nonessential tasks of a job.

5.2 GENERAL PRINCIPLES, OBJECTIVES AND STATEMENTS

- 5.2.1** The Corporation seeks external competitiveness in the employment market through compensation and benefit practices that are equitable, transparent, consistent, practical, and in accordance with the legal requirements of the *Employment Standards Act, Pay Equity Act, Canada Revenue Agency (CRA)*, and other applicable legislation.
- 5.2.2** The Corporation is committed to developing and maintaining salary and benefit practices and procedures that provide an effective means of controlling expenditures in being responsive to the changing conditions within our municipality. Staff compensation and benefit programs are influenced by the economic health of the City of Windsor while being competitive to attract and maintain qualified candidates.
- 5.2.3** Compensation and benefit plans/packages shall be negotiated with its respective unions/associations and ratified by City Council. Compensation and benefit plans for Senior Management Team (SMT), Civic Association for Non-Union Employees (CANUE) and non-CANUE members shall be approved by City Council.
- 5.2.4** The Corporation shall follow appropriate collective agreements, the CANUE Terms and Conditions of Employment, Senior Management Team (SMT) Terms and Conditions of Employment and benefit by-laws when implementing salary and benefits involving retirees and active employees. In the absence of specific language procedures shall be developed that address salary and benefit administration.
- 5.2.5** The Compensation and Benefits Policy is applicable to and incorporates procedures in areas such as but not limited to:
 - 5.2.5.1** Salary Administration
 - 5.2.5.2** Benefit Administration
 - 5.2.5.3** Salary progressions (increments)
 - 5.2.5.4** Allowances such as meal, clothing, etc
 - 5.2.5.5** Job Evaluation
 - 5.2.5.6** Red Circling and Pink Circling
 - 5.2.5.7** Market Adjustments
 - 5.2.5.8** Salary Compression

- 5.2.5.9** Differential Payment such as overtime, call out, stand-by and other wage differentials
 - 5.2.5.10** Acting Assignments
 - 5.2.5.11** Secondments
 - 5.2.5.12** Pay Method Administration (Payroll input, pay methods, deductions, salary overpayment or underpayment, garnishments, salary advances, etc)
- 5.2.6** Every employee, individual forming an employer/employee relationship with the Corporation or retiree must be enrolled through the Corporation's HR/Payroll system in order to receive monetary remuneration and/or benefits. Employees and individuals forming an employer/employee relationship shall not be paid through the Accounts Payable system.
- 5.2.7** Human Resources must be notified of all employee benefit and compensation related matters involving hires, terminations, job transfers and salary changes or adjustments related to job evaluation, acting assignments, secondments, other job transfers, salary increments, reclassifications and any other pay changes involving compensation or lack of (including non-paid placements, government programs and volunteerism) via the appropriate Human Resources documents. Said matters must be processed and approved by the Human Resources Department prior to implementation and confirmation with the employee/individual.
- 5.2.8** Individuals as noted in Section 3.2 shall receive compensation and benefits as per legislative requirements and only if stipulated through an employment contract or program with the Corporation.
- 5.2.9** Individual salaries and benefits are and should remain confidential and fall under the legislated requirements of the Municipal Freedom of Information and Protection of Personal Privacy Act (MFIPPA).
- 5.2.10** Employees and those as defined in Section 3.2 that fail to comply with this policy may be subject to disciplinary action up to and including termination.

5.3 COMPENSATION

- 5.3.1** Compensation will be established in a manner which is neither discriminatory nor arbitrary. Employees shall be paid a salary commensurate with the duties and responsibilities of the job they occupy. Their wage shall be within the salary range of their job in accordance with the established salary schedule unless otherwise noted through Section 3.2.
- 5.3.2** A Salary Compression Procedure shall be developed by the Executive Director of Human Resources and approved by the Chief Administrative Officer to identify when there is a less than the targeted percentage differential between the annual salary range maximum of a subordinate and the annual salary range maximum of their direct supervisor/manager. Salary compression premiums will be applied to those jobs wherein a salary compression issue is found to exist. Overtime is not considered when

applying salary compression. Salary compression adjustments shall be reported annually to City Council.

- 5.3.3** The Corporation will conduct a Salary Market Comparison in accordance with the CANUE Terms and Conditions of Employment and SMT Terms and Conditions of Employment.
- 5.3.4** The Corporation seeks to ensure that employees are paid in a consistent manner for various expenses, such as meal allowances, incurred while working. Employees shall be eligible to be reimbursed as outlined in union collective agreements, CANUE Terms & Conditions of Employment, SMT Terms and Conditions of Employment, and/or corporate procedures.
- 5.3.5** The Corporation shall acknowledge competent job performance by periodic and reasonable pay increases, where applicable. Union collective agreements, the CANUE Terms and Conditions of Employment, SMT Terms and Conditions of Employment and corporate procedures shall establish eligibility criteria, incremental levels, and implementation timeframes and method. The corporate performance appraisal system shall be used as a method to support salary changes related to performance.
- 5.3.6** The Corporation recognizes it is important to foster a work environment in which employees support each other and development opportunities exist as part of sound career and succession planning. Employees will be requested or afforded the opportunity to fulfill the duties and responsibilities of a job other than their base job, on a temporary basis, through acting assignments and secondments.
- 5.3.7** Acting Assignment Procedures shall emphasize that Acting Pay is not automatic and must be approved prior to commencement by the hiring Manager and/or Executive Director, and/or Corporate Team Leader (or designate), the Executive Director of Human Resources and in certain circumstances, the Chief Administrative Officer (CAO). Procedures shall outline the 5% Rule, different scenarios and accompanying rules that must be considered when remunerating employees given certain circumstances.
- 5.3.8** The Corporation recognizes that employees may be required to work beyond their regular hours of work. Procedures shall apply a fair and consistent approach in defining and compensating overtime for non-union employees and other staff where language is absent in respective collective agreements or terms and conditions of employment.
- 5.3.9** The Corporation is committed to the fair treatment of its employees whose jobs are affected by change initiatives such as departmental or corporate re-organizations, technological change, process reviews, downsizing, alternative work arrangements, fiscal restraint or any other reason that results in significant alterations to the job content. A Facilitating Change Procedure shall acknowledge that while the Corporation cannot guarantee employment, it seeks to work constructively with its employees to introduce change in a positive manner and through a consistent process. The philosophy of selecting

the best overall candidate for a vacant position and the ability of employees to have equal opportunity to apply and qualify for such positions shall be maintained. In the event of downsizing, displaced employees will be entitled to a reasonable training period.

- 5.3.10** A Facilitating Change Procedure will strive to protect the wages of those whose duties are significantly reduced by change initiatives and will be evaluated by the NUJE committee. Where the pay rate is reduced, the incumbent's salary (twelve years of service or less) will be red-circled for one year from the effective date of the re-evaluation, at which point it will revert to the top of the lower salary range. If the incumbent has thirteen years of service or more, he/she will receive one extra month of red circling protection for each full year of service beyond the twelve years to a maximum of twenty-four months for twenty-four years of service and then following this time frame revert to the top of the lower salary range.

5.4 POSITION MANAGEMENT

- 5.4.1** Position Management is essential to workflow as it defines the reporting hierarchy which in turn forms the basis for corporate governance. The Corporation shall establish a framework for the management of jobs through a Human Resources Management System (HRMS) that establishes a relationship between the corporate organizational structure, jobs (inclusive of their creation), positions, wages, and employees with all of their associated characteristics.
- 5.4.2** The Corporation shall develop and maintain a compensation structure for each union/association, CANUE, SMT, Non CANUE, and any other corporate job utilizing job evaluation results, union collective agreements or terms and conditions of employment. Every job within the Corporation shall be assigned a Grade (Classification) and consequently a salary range unless there is a separate CAO approved employment contract. Salary schedules outlining salary ranges shall be utilized as the method to maintain structure and convey information to employees and other stakeholders. Salaries for employees under Section 3.2 shall be defined as per the employment contract, program, or agreement.
- 5.4.3** Jobs shall be evaluated using a consistent and approved Job Evaluation Program. Gender neutral job evaluation programs and pay equity plans have been established and maintained, where applicable, to measure the value of new and existing jobs. When a new position is created, it will be evaluated by the NUJE committee.
- 5.4.4** Each job (all regular full-time, regular part-time and certain temporary jobs) shall have a Physical Demands Analysis (PDA) completed in accordance with approved procedures.
- 5.4.5** The Corporation believes that employees should not hold concurrent Corporate jobs. The following employees are exempt from this ruling:

5.4.5.1 Employees who are governed by their respective collective agreement in performing multiple jobs through seniority or classification systems.

5.4.5.2 Recreation Staff who may work multiple jobs within Schedule E of the C.U.P.E. Local 543 Collective Agreement.

5.5 BENEFITS

5.5.1 While it is the belief that employees are primarily responsible for their own welfare and the welfare of their dependants the Corporation shall, through negotiated benefit packages, endeavour to provide appropriate benefit plans/programs that are designed to assist employees.

5.5.2 Benefit By-Laws, negotiated benefit plans/packages and/or corporate procedures shall address active employees, retirees, criteria and coverage in relationship to job functions. As a result benefit plans/packages may vary from one collective agreement or benefit plan to another.

5.5.3 Benefits may include (subject to negotiations) but is not limited to:

5.5.3.1 Drug coverage

5.5.3.2 Dental coverage

5.5.3.3 Vision coverage

5.5.3.4 Extended Health

5.5.3.5 Out of Province

5.5.3.6 Life Insurance

5.5.3.7 Pension (OMERS)

5.5.3.8 Accidental Death and Dismemberment

5.5.3.9 Long Term Disability Insurance

6. RECORDS, FORMS AND ATTACHMENTS

6.1 The Compensation and Benefits Policy shall be made available to the public via the Internet. Employees shall also have access via the Dashboard Policies & Procedures page and Human Resources Department.

6.2 All documentation related to matters under this policy shall be retained and filed in the Human Resources Department and where appropriate Payroll Department.

6.3 Records will be retained in accordance with the record retention requirements of the Municipal Freedom of Information and Protection of Privacy Act and the City of Windsor's Records Retention Disposal By-Law 21-2013.