



City of Leduc Policy

Policy Title: Total Rewards Philosophy

Policy No: 12.05:58

Supersedes: N/A

Revision #: New

Authority (Council or City Manager): City Manager	
Section: Corporate Services	Approval Date: 6 May 2022
Responsible Department: Human Resources	Effective Date: 6 May 2022
Relevant Legislation: Alberta Employment Standards Code	
Relevant Council Resolution(s) and Date(s):	
Relevant Bylaw and Date(s):	
Authority's Signature: Derek Prohar	

Purpose:

In alignment with the organizational culture, the City of Leduc (City) will commit to a total rewards program that will support the current and future organizational direction. The City maintains and communicates consistent and clear practices in support of the guiding principles through our Human Resources policies and action plans. The Total Rewards program (the program) will be reviewed annually in conjunction with the corporate planning process to reflect the changing trends, demographics, opportunities and expectations to meet the evolving needs of the City and the employees.

Scope:

This policy applies to all employees of the City of Leduc.

Definitions:

Total Compensation "envelope": is the total value of the monetary, indirect compensation and non-monetary pay provided to an employee in return for work performed as required.

Total Rewards Philosophy: is a system that translates the City's mission, vision, goals and strategy into a framework that guides the design and decision-making regarding attracting, retaining and rewarding employees.

Policy Objectives:

The City of Leduc (City) recognizes the importance of Total Rewards to attract, engage and retain a committed, talented and diverse workforce, by providing a positive environment and valued employee experience, in order to deliver quality customer service and programs to the community of Leduc.

It is the commitment of the City to maintain a fair, equitable, sustainable and competitive Total Rewards program that is aligned with the corporate plan; the mission, values, vision and business objectives, while acknowledging our commitment to effective stewardship of public funds.

The organization's culture embraces respectful relationships, an understanding and support for each other, teamwork, a commitment to service, integrity, leadership and accountability through the work we do as a city team, in a community where people want to live, work and play.

The City will be guided by the following principles in developing and maintaining a positive employee experience through its total reward programs:

Sustainable: the program will be adaptable to changing business conditions and evolving employee needs while being fiscally responsible.

Comprehensive: the program will address the internal equity needs and requirements of both the City and all employees in their total compensation "envelope" through a fair and inclusive lens.

Competitive: the program objectives will be monitored annually to reflect the changing trends. Comparison to the external market and similar benchmarked municipalities will be reviewed tri-annually to maintain competitive salaries.

Transparent: Human Resources will work with Executive to ensure the program will be developed and administered in an open manner to maintain fair, impartial and consistent administration practices in compliance with our governance policies, collective agreements and applicable governing regulatory bodies. Communication of the program will be in a way that is clear and easily understood by employees and our citizens. However, confidentiality will be maintained regarding sensitive and private individual employee pay.

To support the Total Rewards philosophy and principles, it is the City's objective to provide a program, with a balanced approach to the five strategic areas of Compensation, Benefits, Career, Work Environment and Culture that addresses the following key elements of the total compensation program:

a. Financial Compensation:

The City provides direct compensation to employees in exchange for their contributions to the City, determined by the relative value of responsibilities of one's position and pay for performance. (Examples of this would be base salary, merit, overtime pay, statutory pay).

b. Indirect Compensation:

To support a balanced approach while maintaining a competitive approach within the total compensation program, the City provides a broader foundation to an employee's direct compensation by providing additional components to the plan that are either fully or partially funded by the City. (Examples of this include extended health benefits such as dental, medical prescriptions, and life insurance, a defined benefit pension (Local Authorities Pension Plan), a supplementary pension, accrued vacation and sick leave, service awards, and opportunities for training and development).

c. Employee Experience Enhancements:

The non-monetary elements augment the total compensation package by reflecting the culture of the organization and contributing to the quality of family and work life balance for employees. These elements contribute to and enhance equity, inclusion, safety, belonging and strong engagement with employees. (Examples of this include a positive organization culture; a commitment to physical and psychological safety and well-being; a respectful workplace, and flexible work arrangements where operationally feasible.)

Policy:

Responsibilities:

Executive Team is responsible to:

- Approve practices and programs consistent with the City's intent to provide its employees with an effective, competitive and fiscally responsible total reward employee package.
- As part of the budget process, make the required recommendations to Council regarding total reward programs.
- Ensure compliance with applicable laws and regulations.

Human Resources Department is responsible to:

- Develop program recommendations for enhancement or improvements for approval by Executive Team.

- Provide support of ongoing programs and lead implementation of new programs to support an effective, competitive and fiscally responsible total employee compensation package.
- Ensure the ongoing interpretation and administration of total compensation and rewards programs.
- Ensure the compensation program is aligned with the City's mission, vision and values.
- Maintain sustainability and competitiveness of the compensation structure while being fiscally responsible.
- Provide expert guidance, perspective, and support to enable managers and supervisors to make appropriate pay decisions.
- Communicate programs and guidelines to help managers and supervisors understand all aspects of the compensation program.
- Ensure compliance with applicable laws and regulations.

Supervisors, Managers, Directors are responsible to:

- Provide ongoing input into program development and encourage and support employee participation in the programs.
- Ensure fairness and equity in the application of this policy and its related items.
- Promote shared accountability between employees and the City.
- Communicate the compensation program and changes to their staff.
- Provide open, honest, and timely feedback to their staff on compensation issues, answering both specific and general questions.
- Ensure compliance with applicable laws and regulations.

Employees are responsible to:

- Use the tools and resources available to understand the Total Rewards Program.
- Discuss questions or concerns with their manager/supervisor or Human Resources.

City of Leduc Policies:

- Policy No: 12.05:27 Compensation Philosophy
- Policy No: 12.05:43 Annual Performance Assessment and Merit Pay
- Policy No: 12.05:46 Salary Administration